

# BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM

## **Capital Planning and Budget Committee**

Thursday, February 9, 2023

8:45 a.m. – 10:00 a.m.

Varsity Hall II, 2<sup>nd</sup> Floor  
Union South, UW-Madison  
1308 W. Dayton Street  
Madison, Wisconsin  
& via Zoom Videoconference

- A. Calling of the Roll
- B. Declaration of Conflicts
- C. Approval of the Minutes of the December 8, 2022, Meeting of the Capital Planning and Budget Committee
- D. Consent Agenda
  - 1. UW-Madison: Authority to Increase the Budget of the UW Managed Primate Center Backup Generator
  - 2. UW-Stout: Authority to Sell Single-Family Residence
- E. UW System: Authority to Revise and Use Evaluation Criteria for Major Capital Project Requests
- F. UW System: Authority to Amend RPD 13-5, "Capital Projects Solely Managed by the UW System: Approval and Signature Authority"
- G. UW-Madison: Host Campus Presentation: "Transforming the Built Environment"
- H. Report of the Senior Associate Vice President

**AUTHORITY TO INCREASE THE BUDGET FOR THE UW MANAGED  
PRIMATE CENTER BACKUP GENERATOR, UW-MADISON**

**REQUESTED ACTION**

Adoption of Resolution D1., authorizing an increase to the budget of the UW Managed Primate Center Backup Generator project.

**Resolution D1.** That, upon the recommendation of the Chancellor of UW-Madison and the President of the UW System, the UW System Board of Regents authorizes an increase in the budget for the construction of the Primate Center Backup Generator project for an estimated total project cost of \$3,332,000 Gift/Grant Funds.

**SUMMARY**

This project upgrades electrical systems at the Primate Center, installs backup generators, and constructs a new electrical vault over the existing electrical vault on the north side of the building to serve maintenance receptacles, generator auxiliary loads, and HVAC equipment.

Standby, backup power is required to maintain accreditation as a research program through the American Association for Accreditation of Laboratory Animal Care (AAALAC).

This project was originally approved by the Board of Regents in December 2018 with a budget of \$1,200,000. The project was approved for an additional \$700,000 in December 2019, for a total project budget approval of \$1,900,000.

The project was placed on hold pending the completion of the Department of Facilities Development (DFD) Project 18A1Z -Primate Center - Chilled Water Extension.

A construction bid of \$3,332,000 was received on April 6, 2022 that exceeded the original budget amount due to risks associated with current material shipping delays, and cost inflation, escalation, and supply-chain cost increases. To begin construction, an increase of \$1,432,000 in spending authority is required.

## Presenter

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

## BACKGROUND

The Wisconsin National Primate Research Center (WNPRC) is part of the National Primate Research Centers program funded by the National Institutes of Health since 1961. The Wisconsin National Primate Research Center is dedicated to conducting humane research with nonhuman primates to advance knowledge in primate biology and address human and animal health concerns.

WNPRC operates in two buildings, the Wisconsin Primate Center at 1223 Capitol Court and the Harlow Lab at 22 North Charter Street. WNPRC is accredited through AAALAC.

## Budget/Schedule

Construction	\$ 2,736,000
Design	\$ 165,000
Contingency	\$ 324,000
Equipment	\$ 0
Management Fees	\$ 107,000
TOTAL	\$ 3,332,000

A/E Selection	May 2022
BOR Approval	February 2023
Bid Opening	February 2023
Start Construction	April 2023
Substantial Completion	November 2023
Final Completion	December 2023

## Previous Actions

- |                                      |   |
|--------------------------------------|---|
| December 6, 2019<br>Resolution 11333 | Authorized: That, upon the recommendation of the Chancellor of UW-Madison and the President of the UW System, the UW System Board of Regents authorizes a budget increase of \$700,000 Gift Funds for the Primate Center Backup Generator project for a revised estimated total project cost of \$1,900,000 Gift Funds. |
| December 7, 2018<br>Resolution 11147 | Authorized: That, upon the recommendation of the President of the University of Wisconsin System, authority be granted to execute the remainder of the design contract and construct the UW-Madison Primate Center Backup Generator project for a total project cost of \$1,200,000 Gift Funding.                       |

## Related Policies

- Regent Policy Document 13-5, "[Capital Projects Solely Managed by the UW System: Approval and Signature Authority](#)"
- Regent Policy Document 19-15, "[Physical Development Principles](#)"
- Regent Policy Document 19-16, "[Building Program Planning and Approval](#)"

**AUTHORITY TO SELL A SINGLE-FAMILY RESIDENCE,  
UW-STOUT**

**REQUESTED ACTION**

Adoption of Resolution D2., authority to approve the sale of a single-family residence exclusive of the land.

**Resolution D2.** That, upon the recommendation of the Chancellor of UW-Stout and the President of the UW System, the UW System Board of Regents grants authority to sell a 1,570 square foot single-family residence exclusive of the underlying land located at 215 12<sup>th</sup> Avenue W, Menomonie, Wisconsin.

**SUMMARY**

UW-Stout would like to sell a single-family residence located next to an existing parking lot, which they plan to expand. However, prior to demolishing the house, they are offering it for sale. Interested buyers will be required to relocate the house from the property.

As defined in Regent policy, only one appraisal was completed as the house's market value was expected to be below \$100,000. The appraiser assumed the buyer would have to move the house and construct a foundation on which to place the house. The institution is expecting to list the house on the State of Wisconsin Surplus Property auction website.

**Presenter**

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

**BACKGROUND**

The house was constructed in approximately 1910 and has had several small upgrades over the years. The bathroom has the original sink and bathtub; however, the kitchen has been updated with new stock cabinets and laminate countertops. For the last several years, the house has been leased to graduate students. Given that the university has no need for the building, they are proposing to demolish it and replace it with parking.

**Related Policies**

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

**ATTACHMENT**

- A. UW-Stout: Proposed Sale of Improvements Map

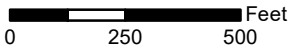


Sources: UW System Administration,  
State of Wisconsin, Wisconsin State  
Cartographers Office,  
US Census Bureau

This map is for reference purposes only.

### UW-Stout: Proposed Sale of Improvements

- Proposed Sale
- Campus Building
- UW Property
- Campus Parking Area



**AUTHORITY TO REVISE AND USE EVALUATION CRITERIA  
FOR MAJOR CAPITAL PROJECT REQUESTS,  
UW SYSTEM ADMINISTRATION**

**REQUESTED ACTION**

Adoption of Resolution E., authorizing the use of the criteria as defined in Attachment A for the evaluation of Major Capital Project Requests for all funding sources and construction authority models.

**Resolution E.** That, upon the recommendation of the President of the UW System, the UW System Board of Regents authorizes the use of the criteria as defined in Attachment A for the evaluation of Major Capital Project Requests for all funding sources and construction authority models.

**SUMMARY**

Each biennium, UW System Administration staff apply approved evaluation criteria to the major capital project requests submitted by each institution for consideration in the next UW System capital budget request to the Department of Administration. Approved criteria have been applied in this manner since the 1999-2001 biennium and they have been periodically updated and enhanced as needed to reflect current systemwide initiatives, priorities, and goals of the Board of Regents. Last updated in February 2019, these criteria assist in developing a biennial capital budget request and a six-year capital plan that address the most critical needs, highest academic priorities, and most cost-effective solutions to maintain and develop each institution's physical environment. The proposed revisions emphasize the 2023-28 Strategic Plan commitment to stewardship through accountability and integrity and support the purpose-driven service in both the resulting facilities and associated planning processes.

**Presenter**

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



## BACKGROUND

The proposed modifications address two primary shortcomings of the current evaluation criteria: consideration of net new square footage in specific but rare contexts, and demonstration of appropriate diligence and management of past capital budget funding authority and project enumerations relative to the proposed capital plan. These shortcomings were identified during the current biennial planning cycle and the proposed revisions intend to resolve these issues for the pending and future planning cycles.

There are two new proposed prerequisites relative to net new square footage considerations. The first acknowledges and addresses fierce competition in higher education to attract and retain the best and brightest students, faculty, and staff; the ability to perform intended and required activities and programs within the facilities available; and the ability to meet time for degree completion expectations as it relates to the quality, features, and performance of university facilities. This prerequisite requires specific demonstration of one or more of these factors and that the best and most reasonable solution requires additional square footage. The second new prerequisite acknowledges and addresses the fact that our central heating and cooling plants, along with their associated equipment, were conceived and designed with known technology and fuel sources at the time they were constructed (typically in the 1960s and 1970s) as opposed to being able to adapt to changes associated with the new dynamic landscape for energy production, delivery, and efficient management. This prerequisite intends to promote considerations for net new square footage associated with central heating and cooling plants services, equipment, and technology towards the appropriate decision makers of whether a change in fuel or services is in the best interest of the University and State of Wisconsin as opposed to whether it can or should be justified in the same exact manner as academic, administrative, or auxiliary space. These proposed new prerequisites embody the 2023-28 Strategic Plan focus on service to the State of Wisconsin and the public good by allowing net new square footage under specific instances with prescribed context.

There are four new proposed prerequisites relative to diligence and management of past capital budget funding and project enumerations relative to the proposed capital plan and one modified, redefined existing criteria to avoid potential confusion or duplication with one of the proposed new criteria. The first requires demonstration of financial capacity for the active array of authorized capital projects and a plan projecting the continued capacity for the proposed six-year capital plan within the currently available resources. The second requires demonstration of regular and persistent pursuit to complete active capital projects and projected ability to maintain that productivity with the proposed six-year capital plan within the currently available resources. The second also absorbs the third sub-component of the Institutional Readiness prerequisite related to operational resources required to operate and maintain capital assets. The third requires demonstration of active pursuit to attain construction authority for active enumerations not more than a year past the published and enumerated project schedule. The last requires

demonstration of a realistic plan to provide adequate and appropriate facilities for recently authorized, requested, and planned degree and program additions. Collectively these four proposed new prerequisites emphasize the importance and responsibility of actively and effectively executing and managing capital budget funding and projects before serious consideration of additional authority and enumerations. These proposed new prerequisites promote the 2023-28 Strategic Plan focus on accountability and integrity by requiring the timely execution of past enumerations, diligent management of capital funding and projects, and assuring UW System does not overextend its resources.

Considering the magnitude of major capital project requests made each biennium, these updated evaluation criteria will be applied to assist in the determination of systemwide priority, inclusion in future biennial capital budget requests, and sequencing of future six-year capital plans.

UW System Administration has not yet received capital budget instructions from the Department of Administration. It is expected that additional guidelines, which may be established by the Department of Administration, will be addressed in the context of the foregoing framework.

### **Previous Action**

February 8, 2019 Resolution 11175	Granted authority to revise and use of the criteria for evaluation of Major Capital Project Requests for all funding sources and construction authority models.
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### **Related Policies**

- Regent Policy Document 19-1, "University Facilities, Space, and Physical Development Capital Funding and Costs"
- Regent Policy Document 19-15, "Physical Development Principles"
- Regent Policy Document 19-16, "Building Program Planning and Approval"

### **ATTACHMENTS**

- A) Evaluation Criteria for Major Capital Project Requests (FINAL)
- B) Evaluation Criteria for Major Capital Project Requests (TRACKED CHANGES)

THE UNIVERSITY OF WISCONSIN SYSTEM  
MAJOR CAPITAL PROJECTS EVALUATION CRITERIA

**PART I:** These evaluation criteria apply to all requests for new assignable\* square footage, regardless of funding source(s). Project requests seeking to add additional assignable square footage must meet at least one of the following six criteria to advance further for capital budget consideration. If the net new square footage‡ prerequisite is satisfied, then the project request will continue through the remaining evaluation criteria and process. Each institution must provide demonstrated proof that no other appropriate facilities are available to accommodate the proposed expansion needs.

- \* Assignable square footage does not include any circulation; restrooms; mechanical or electrical rooms; structural areas; or building service areas.
- ‡ Net new square footage does not include replace-in-kind, even if the replacement space is larger than the original space due to current construction and facility standards and practices. This only applies to new square footage purely for program creation or expansion purposes.

SCORING	NET NEW SQUARE FOOTAGE PREREQUISITE	6 Criteria
Yes or No	<b>FACILITY STANDARDS AND COMPLIANCE:</b> The institution has demonstrated and documented building codes and/or standards compliance issues and/or health, safety, and environmental issues would not be resolved through standard design and operating practice. The project scope must include extraordinary or non-routine conditions and examples to be resolved, as documented by a planning study such as: Campus Master or Precinct/College Plan, Facility Condition Assessment, and Pre-Design/Feasibility.	
Yes or No	<b>ACADEMIC PROGRAM AND ENROLLMENT GROWTH:</b> The institution has identified demonstrated space shortages related to Board of Regents approved academic program creation or expansion with the following: 5-year enrollment trends responding to strategic or programmatic needs and a targeted space utilization analysis showing use consistently beyond UWSA standards, and/or evidence that enrollment exceeds original building design capacity. The project documentation must be accompanied by market studies as appropriate and operational impact reports, historical enrollment data, and sound financial plans.	
Yes or No	<b>REVENUE-BASED INITIATIVES:</b> The institution has identified and demonstrated space shortages related to the need of additional residence hall beds, dining capacity, parking, or other student- supported and engagement space, and/or community-based initiatives. Project documentation must include market studies as appropriate and financial analysis, debt service payment schedules, and sound business plans.	
Yes or No	<b>EFFECTIVE USE OF CAPITAL AND OPERATING RESOURCES:</b> The institution has identified and demonstrated that the existing facilities are insufficient, dysfunctional, and no longer cost effective to operate and maintain. The project documentation provides a Building Condition Assessment demonstrating poor adaptive reuse potential for its intended purpose and a cost to upgrade, renovate and repair that exceeds 75% of replacement cost.	
Yes or No	<b>FACILITY RESOURCE QUALITY, FEATURES, AND PERFORMANCE:</b> The institution has demonstrated and documented substandard facility(ies) quality, features, and/or performance that has negatively and directly impacted current enrollment, ability to successfully recruit and/or retain students and/or faculty/staff, ability to successfully conduct intended and required activities and programs, and/or time for degree completion.	
Yes or No	<b>CENTRAL PLANT AND UTILITY EXPANSION OF SERVICES:</b> The institution has demonstrated and documented the need for additional central plant and/or utility distribution services not currently available; with inadequate current capacity and/or service area; and/or a regulatory, standards, and/or technology shift since original construction that requires additional space.	

**PART II:** These evaluation criteria apply to all Major Project requests, regardless of funding source(s). The categories and criteria were established by determining distinguishing factors of project requests. Some criteria are entirely objective; either the project request meets the criteria definition or it doesn't. Other criteria are subjective; the criteria definition is partially met or the degree to which the criteria definition is met is open to interpretation. Only those projects ranked each biennium will be used to gauge the range of possible points given for the subjective criteria; there are no absolute standards for maximum points awarded. Subjective points will be an assigned consensus value by the group of evaluators. If all the capital project prerequisites are satisfied, then the project request will continue through the remaining evaluation criteria and process.

SCORING	CAPITAL PROJECT PREREQUISITES	4 Requirements
Yes or No	<b>NET NEW SQUARE FOOTAGE:</b> If the proposed project includes new assignable square footage, the institution has met the net new square footage prerequisite.	
Yes or No	<b>EVIDENCE OF PLANNING:</b> The institution has demonstrated and documented previous indication(s) and intent(s) for the majority of project scope through one or more of the following items: Campus Master or Capital Plan, Facility Condition Assessment, Feasibility Study, Project Priority and Sequence Chart, Pre-Design, Space Use Study.	
Yes or No	<b>INSTITUTIONAL READINESS:</b> The institution has demonstrated and documented its ability and capacity to execute and manage the proposed project within the context of the proposed six-year institutional capital plan and in or by the proposed biennium through the following items: <b>(a)</b> fully documented and submitted six-year institutional capital plan and <b>(b)</b> surge space identified and reallocated or reserved as necessary.	
Yes or No	<b>INFRASTRUCTURE IMPACT:</b> The institution has identified and requested, if necessary, the required additional site infrastructure/utility funding commitments and/or those have been included in the Capital Plan in the biennium prior to, and/or in the same biennium as the project.	
Yes or No	<b>FINANCIAL CAPACITY AND PLAN:</b> Has transferred majority (75% or more per project) of required cash for active/open capital projects into the established project accounts. Has demonstrated proposed capital plan funding outlay within the context of the current budget and funding limitations and active project workload.	
Yes or No	<b>DESIGN AND CONSTRUCTION PROGRESS:</b> Has demonstrated regular and persistent design and construction progress for all active/open capital projects. Has demonstrated active and realistic project schedules from design teams for all active/open capital projects. Has demonstrated proposed capital plan workload within the context of current workforce limitations and active/open capital project workload.	
Yes or No	<b>EXECUTING PAST ENUMERATIONS:</b> Has demonstrated active pursuit and/or attainment of construction authority for all active enumerations. Has demonstrated active project schedules and Bid Dates from design teams that are not more than one year later than the published enumeration schedule.	
Yes or No	<b>DEGREE AND PROGRAM SUPPORT:</b> Has demonstrated realistic plan to achieve and supply adequate facilities for all new programs established within the current biennium, previous biennium, and next two biennia within the context of the current budget and workforce limitations and active/open capital project workload.	

## PART III

SCORING	INSTITUTIONAL PRIORITY	20 Points
0 or 10 pts	<b>HIGHEST RANK FOR CURRENT BIENNIUM:</b> The institution ranked the project as its highest priority Major Project Request for the current biennium within the context of the proposed six-year institutional capital plan.	
0 or 5 pts	<b>HIGHEST RANK FOR LAST BIENNIUM:</b> The institution ranked the project as its highest priority Major Project Request for last biennium within the context of the proposed six-year institutional capital plan.	
0 or 3 pts	<b>HIGHEST RANK FOR THE LAST TWO BIENNIA:</b> The institution ranked the project as its highest priority Major Project Request for the last two biennia within the context of the proposed six-year institutional capital plan.	
0 or 2 pts	<b>PROJECT SEQUENCE:</b> Project must be completed prior to other projects identified in the proposed six-year institutional capital plan.	

SCORING	PHYSICAL DEVELOPMENT CONSIDERATIONS	40 Points
0 - 5 pts	<b>CODES, STANDARDS, HEALTH &amp; SAFETY:</b> Project resolves demonstrated and documented building codes and/or standards compliance issues and/or health, safety, and environmental issues that would not be resolved through standard design practice and appropriate design standards. The project scope must include extraordinary or non-routine conditions and examples that need resolution.	

0 - 10 pts	<b>DEMOLITION:</b> Project eliminates demonstrated and documented capital maintenance or avoids anticipated future capital maintenance through demolition of space that is deteriorated, obsolete, and/or has no viable reuse.
0 - 15 pts	<b>CAPITAL RENEWAL:</b> Project renews demonstrated and documented capital maintenance and/or anticipated future capital maintenance through renovation. Project scopes including only remodeled/renovated space receive full credit. Project scopes including new ancillary spaces and/or non-assignable spaces (elevators, mechanical rooms, restrooms, etc.) are not penalized. Project scopes including remodeled/renovated space + new assignable space receive partial credit. Partial credit scoring will be based on cost (\$) ratio of remodeled/renovated space to new space included in the project.
0 - 10 pts	<b>FACILITY REUSE:</b> Existing space is adequate and appropriate for renovation; no new assignable space required. Project scopes including only remodeled/renovated space receive full credit. Project scopes including new ancillary spaces and/or non-assignable spaces (elevators, mechanical rooms, restrooms, etc.) are not penalized. Project scopes including remodeled/renovated space + new assignable space receive partial credit. Partial credit scoring will be based on space (GSF) ratio of remodeled/renovated space to new space included in the project.

SCORING	PROGRAM CONSIDERATIONS	40 Points
0 - 15 pts	<b>FUNCTIONALITY:</b> Project provides new/improved program space functionality through configuration, relocation, or technology. The project scope includes one or more of the following items for new/improved functionality: <b>(a)</b> area(s)/technology specifically designed/implemented and/or <b>(b)</b> remodeled/renovated/relocated.	
0 - 5 pts	<b>OPERATIONAL IMPACT:</b> Project improves operational efficiencies through consolidation, reorganization, and/or relocation and supports sustainability. The project scope includes one or more of the following items to improve operational efficiency: <b>(a)</b> program space(s) and/or technology specifically designed and/or implemented, and/or <b>(b)</b> remodeling/renovation/relocation with <b>(1)</b> demonstrated operational budget reductions and/or projections as a result of completing this project and/or <b>(2)</b> demonstrated resource reallocation to accommodate any new net square footage constructed.	
0 - 15 pts	<b>SPACE NEED:</b> Project targets and resolves demonstrated space shortages. The project scope includes one or more of the following items to meet demonstrated space shortages: <b>(a)</b> program space(s)/technology specifically designed/implemented and/or <b>(b)</b> remodeling/renovation/relocation.	
0 - 5 pts	<b>SPACE UTILIZATION:</b> Project demonstrates improved space utilization for scheduled program space and/or makes use of underutilized space. The project scope includes one or more of the following items to improve space utilization: <b>(a)</b> program space(s) specifically designed to replace underutilized assigned/surplus space with assigned space and/or <b>(b)</b> remodeling/renovation/relocation.	

THE UNIVERSITY OF WISCONSIN SYSTEM  
MAJOR CAPITAL PROJECTS EVALUATION CRITERIA

**PART I:** These evaluation criteria apply to all requests for new assignable\* square footage, regardless of funding source(s). Project requests seeking to add additional assignable square footage *must meet at least one of the following ~~four~~ six criteria* to advance further for capital budget consideration. If the net new square footage‡ prerequisite is satisfied, then the project request will continue through the remaining evaluation criteria and process. Each institution must provide demonstrated proof that no other appropriate facilities are available to accommodate the proposed expansion needs.

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SCORING	NET NEW SQUARE FOOTAGE PREREQUISITE	6 Criteria
Yes or No	<b>FACILITY STANDARDS AND COMPLIANCE:</b> The institution has demonstrated and documented building codes and/or standards compliance issues and/or health, safety, and environmental issues would not be resolved through standard design and operating practice. The project scope must include extraordinary or non-routine conditions and examples to be resolved, as documented by a planning study such as: Campus Master or Precinct/College Plan, Facility Condition Assessment, and Pre-Design/Feasibility.	
Yes or No	<b>ACADEMIC PROGRAM AND ENROLLMENT GROWTH:</b> The institution has identified demonstrated space shortages related to Board of Regents approved academic program creation or expansion with the following: 5-year enrollment trends responding to strategic or programmatic needs and a targeted space utilization analysis showing use consistently beyond UWSA standards, and/or evidence that enrollment exceeds original building design capacity. The project documentation must be accompanied by market studies as appropriate and operational impact reports, historical enrollment data, and sound financial plans.	
Yes or No	<b>REVENUE-BASED INITIATIVES:</b> The institution has identified and demonstrated space shortages related to the need of additional residence hall beds, dining capacity, parking, or other student- supported and engagement space, and/or community-based initiatives. Project documentation must include market studies as appropriate and financial analysis, debt service payment schedules, and sound business plans.	
Yes or No	<b>EFFECTIVE USE OF CAPITAL AND OPERATING RESOURCES:</b> The institution has identified and demonstrated that the existing facilities are insufficient, dysfunctional, and no longer cost effective to operate and maintain. The project documentation provides a Building Condition Assessment demonstrating poor adaptive reuse potential for its intended purpose and a cost to upgrade, renovate and repair that exceeds 75% of replacement cost.	
Yes or No	<b>FACILITY RESOURCE QUALITY, FEATURES, AND PERFORMANCE:</b> The institution has demonstrated and documented substandard facility(ies) quality, features, and/or performance that has negatively and directly impacted current enrollment, ability to successfully recruit and/or retain students and/or faculty/staff, ability to successfully conduct intended and required activities and programs, and/or time for degree completion.	
Yes or No	<b>CENTRAL PLANT AND UTILITY EXPANSION OF SERVICES:</b> The institution has demonstrated and documented the need for additional central plant and/or utility distribution services not currently available; with inadequate current capacity and/or service area; and/or a regulatory, standards, and/or technology shift since original construction that requires additional space.	

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SCORING	CAPITAL PROJECT PREREQUISITES	4 Requirements
Yes or No	<b>NET NEW SQUARE FOOTAGE:</b> If the proposed project includes new assignable square footage, the institution has met the net new square footage prerequisite.	
Yes or No	<b>EVIDENCE OF PLANNING:</b> The institution has demonstrated and documented previous indication(s) and intent(s) for the majority of project scope through one or more of the following items: Campus Master or Capital Plan, Facility Condition Assessment, Feasibility Study, Project Priority and Sequence Chart, Pre-Design, Space Use Study.	
Yes or No	<b>INSTITUTIONAL READINESS:</b> The institution has demonstrated and documented its ability and capacity to execute and manage the proposed project within the context of the proposed six-year institutional capital plan and in or by the proposed biennium through the following items: <b>(a)</b> fully documented and submitted six-year institutional capital plan; <b>and (b)</b> surge space identified and reallocated or reserved as necessary; <del>and (c) appropriate and adequate operational resources identified and documented to operate and maintain the resulting capital asset(s);</del> (SEE "DESIGN AND CONSTRUCTION PROGRESS" BELOW)	
Yes or No	<b>INFRASTRUCTURE IMPACT:</b> The institution has identified and requested, if necessary, the required additional site infrastructure/utility funding commitments and/or those have been included in the Capital Plan in the biennium prior to, and/or in the same biennium as the project.	
Yes or No	<b>FINANCIAL CAPACITY AND PLAN:</b> Has transferred majority (75% or more per project) of required cash for active/open capital projects into the established project accounts. Has demonstrated proposed capital plan funding outlay within the context of the current budget and funding limitations and active project workload.	
Yes or No	<b>DESIGN AND CONSTRUCTION PROGRESS:</b> Has demonstrated regular and persistent design and construction progress for all active/open capital projects. Has demonstrated active and realistic project schedules from design teams for all active/open capital projects. Has demonstrated proposed capital plan workload within the context of current workforce limitations and active/open capital project workload.	
Yes or No	<b>EXECUTING PAST ENUMERATIONS:</b> Has demonstrated active pursuit and/or attainment of construction authority for all active enumerations. Has demonstrated active project schedules and Bid Dates from design teams that are not more than one year later than the published enumeration schedule.	
Yes or No	<b>DEGREE AND PROGRAM SUPPORT:</b> Has demonstrated realistic plan to achieve and supply adequate facilities for all new programs established within the current biennium, previous biennium, and next two biennia within the context of the current budget and workforce limitations and active/open capital project workload.	

## PART III

SCORING	INSTITUTIONAL PRIORITY	20 Points
0 or 10 pts	<b>HIGHEST RANK FOR CURRENT BIENNIUM:</b> The institution ranked the project as its highest priority Major Project Request for the current biennium within the context of the proposed six-year institutional capital plan.	
0 or 5 pts	<b>HIGHEST RANK FOR LAST BIENNIUM:</b> The institution ranked the project as its highest priority Major Project Request for last biennium within the context of the proposed six-year institutional capital plan.	
0 or 3 pts	<b>HIGHEST RANK FOR THE LAST TWO BIENNIA:</b> The institution ranked the project as its highest priority Major Project Request for the last two biennia within the context of the proposed six-year institutional capital plan.	
0 or 2 pts	<b>PROJECT SEQUENCE:</b> Project must be completed prior to other projects identified in the proposed six-year institutional capital plan.	

SCORING	PHYSICAL DEVELOPMENT CONSIDERATIONS	40 Points
0 - 5 pts	<b>CODES, STANDARDS, HEALTH &amp; SAFETY:</b> Project resolves demonstrated and documented building codes and/or standards compliance issues and/or health, safety, and environmental issues that would not be resolved through standard design practice and appropriate design standards. The project scope must include extraordinary or non-routine conditions and examples that need resolution.	



0 - 10 pts	<b>DEMOLITION:</b> Project eliminates demonstrated and documented capital maintenance or avoids anticipated future capital maintenance through demolition of space that is deteriorated, obsolete, and/or has no viable reuse.
0 - 15 pts	<b>CAPITAL RENEWAL:</b> Project renews demonstrated and documented capital maintenance and/or anticipated future capital maintenance through renovation. Project scopes including only remodeled/renovated space receive full credit. Project scopes including new ancillary spaces and/or non-assignable spaces (elevators, mechanical rooms, restrooms, etc.) are not penalized. Project scopes including remodeled/renovated space + new assignable space receive partial credit. Partial credit scoring will be based on cost (\$) ratio of remodeled/renovated space to new space included in the project.
0 - 10 pts	<b>FACILITY REUSE:</b> Existing space is adequate and appropriate for renovation; no new assignable space required. Project scopes including only remodeled/renovated space receive full credit. Project scopes including new ancillary spaces and/or non-assignable spaces (elevators, mechanical rooms, restrooms, etc.) are not penalized. Project scopes including remodeled/renovated space + new assignable space receive partial credit. Partial credit scoring will be based on space (GSF) ratio of remodeled/renovated space to new space included in the project.

SCORING	PROGRAM CONSIDERATIONS	40 Points
0 - 15 pts	<b>FUNCTIONALITY:</b> Project provides new/improved program space functionality through configuration, relocation, or technology. The project scope includes one or more of the following items for new/improved functionality: <b>(a)</b> area(s)/technology specifically designed/implemented and/or <b>(b)</b> remodeled/renovated/relocated.	
0 - 5 pts	<b>OPERATIONAL IMPACT:</b> Project improves operational efficiencies through consolidation, reorganization, and/or relocation and supports sustainability. The project scope includes one or more of the following items to improve operational efficiency: <b>(a)</b> program space(s) and/or technology specifically designed and/or implemented, and/or <b>(b)</b> remodeling/renovation/relocation with <b>(1)</b> demonstrated operational budget reductions and/or projections as a result of completing this project and/or <b>(2)</b> demonstrated resource reallocation to accommodate any new net square footage constructed.	
0 - 15 pts	<b>SPACE NEED:</b> Project targets and resolves demonstrated space shortages. The project scope includes one or more of the following items to meet demonstrated space shortages: <b>(a)</b> program space(s)/technology specifically designed/implemented and/or <b>(b)</b> remodeling/renovation/relocation.	
0 - 5 pts	<b>SPACE UTILIZATION:</b> Project demonstrates improved space utilization for scheduled program space and/or makes use of underutilized space. The project scope includes one or more of the following items to improve space utilization: <b>(a)</b> program space(s) specifically designed to replace underutilized assigned/surplus space with assigned space and/or <b>(b)</b> remodeling/renovation/relocation.	

KEY

TEXT = existing criteria text, unchanged

~~TEXT~~ = existing criteria text, proposed deletion

TEXT = proposed new criteria text



**REGENT POLICY DOCUMENT REVIEW:  
RPD 13-5, "CAPITAL PROJECTS SOLELY MANAGED BY THE UW  
SYSTEM: APPROVAL AND SIGNATURE AUTHORITY"**

**REQUESTED ACTION**

Adoption of Resolution F., amending Regent Policy Document (RPD) 13-5, "Capital Projects Solely Managed by the UW System: Approval and Signature Authority" to: (1) clarify the review and approval of projects; and (2) modify the thresholds for Board review of projects for the UW Managed Program.

**Resolution F.** That, upon the recommendation of the President of the UW System, the Board of Regents amends Regent Policy Document 13-5, "Capital Projects Solely Managed by the UW System: Approval and Signature Authority" to modify policy provisions related to signature authority and delegation.

**SUMMARY**

This proposal recommends amending and renaming Regent Policy Document 13-5, "Capital Projects Solely Managed by the UW System: Approval and Signature Authority" to clarify approval and signature authority and related responsibilities and to align with signature authority thresholds recently amended in Regent Policy Document 13-1, "General Contract Approval, Signature Authority, and Reporting."

The Board is asked to consider this policy revision as part of its ongoing review and analysis of Regent Policy Documents. In February 2011, the President of the Board formally announced a process to review and update the Board's RPDs. Each RPD is reviewed to determine whether the policy is still relevant and whether the policy should be revised or removed. Policies that are retained are formatted to meet standards established by the Regents in RPD 2-3. The Board has revised numerous policies, repealed obsolete policies, and established new policies under this process.

**Presenter**

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

## **BACKGROUND**

Regent Policy Document 13-5 was adopted by the Board of Regents in June 2016 to implement capital project management authority provided to the Board under 2015 Wisconsin Act 55. This authority allowed the Board to solely manage and oversee capital projects entirely funded through gifts and grants. Policy revisions are being proposed that are informed by both the program's operation since the initial adoption of this policy and recent changes in contract signature approval thresholds to Regent Policy Document 13-1, "General Contract Approval, Signature Authority, and Reporting". The revisions clarify the relationship between project approval authority and signature authority for contracts related to such projects.

### Capital Project Approval Authority & Threshold

Project approval authority is delegated by the Board and described in the policy. Currently, the policy requires any projects of more than \$1,000,000 be presented to the Board of Regents for formal approval prior to execution. Additionally, only Chancellors can approve such projects at or below the \$1,000,000 threshold for Board approval.

The proposed changes would:

1. Permit a Chancellor to delegate approval authority for capital projects solely managed by the UW System to other university employees providing that the Chancellor has requested and received approval for the specific delegation from the UW System President. The Chancellor's delegation request must be developed in consultation with the UW System Office of Capital Planning and Budget.
2. Increase the threshold at which a Chancellor, or employee with delegated authority, may approve a project falling under the scope of Regent Policy Document 13-5 to up to \$5,000,000.

These revisions provide increased institutional flexibility to approve UW-managed capital projects while still maintaining UW System Administration's role in ensuring appropriate and limited delegation of project approval authority beyond the Chancellor.

### Contract Signature Authority

Currently, the policy permits the UW System President to approve the related design and construction contracts for capital projects solely managed by the UW System up to \$1,000,000. The President may delegate contract signature authority to Chancellors. Due to the volume of projects exceeding the current \$1,000,000 threshold, the policy has been modified to increase this threshold to \$5,000,000. Providing the UW System President contract signature authority up to \$5,000,000 also aligns with recently expanded signature authority provided to the UW System President for grants and contracts under Regent Policy Document 13-1, "General Contract Approval, Signature Authority, and Reporting".

The President still determines the conditions under which signature authority for design, construction and other related contracts may be further delegated to ensure continued, appropriate oversight and use of contract signature authority for the program.

### Reporting

The Office of Capital Budget and Planning reports on a periodic basis to the Board on the status of all capital projects solely managed by the UW System. The revised policy specifies that such reporting occurs on a semi-annual basis.

### **Related Policies**

- Regent Policy Document 13-1, "General Contract Approval, Signature Authority, and Reporting"
- Regent Policy Document 13-2, "Real Property Contracts: Signature Authority and Approval"

### **ATTACHMENTS**

- A) RPD 13-5, "Capital Projects Solely Managed by the UW System: Approval, Signature Authority, and Reporting" (Proposed Policy with Tracked Changes)
- B) RPD 13-5, "Capital Projects Solely Managed by the UW System: Approval, Signature Authority, and Reporting" (Proposed Policy – Clean Copy)
- C) RPD 13-5, "Capital Projects Solely Managed by the UW System: Approval and Signature Authority" (Current Policy)

## Regent Policy Document 13-5

# Capital Projects Solely Managed by the UW System: Approval ~~and~~, Signature Authority, and Reporting

## Scope

This policy outlines ~~both~~ the approval process and authorization necessary to sign contracts related to ~~construction capital~~ projects solely managed by the UW System on behalf of the Board of Regents ("capital projects") and reporting requirements.

General signature authority for contracts not related to real property or construction is outlined in Regent Policy Document 13-1, "General Contract ~~Signature Authority~~, Approval, Signature Authority, and Reporting."

Signature authority for real-property contracts is outlined in Regent Policy Document 13-2, "Real Property Contracts: Signature Authority and Approval."

## Purpose

The purpose of this policy is to establish that Board of Regents approval is required for all capital projects ~~that the UW System solely manages~~ costing more than ~~\$1,000,000. The policy also~~ \$5,000,000, to establish semi-annual reporting requirements to the Board of Regents for such projects, and to ~~delegates~~ authority to sign contracts associated with these projects.

## Policy Statement

It is the policy of the Board of Regents to ensure that capital projects ~~solely managed by the UW System~~ deliver high-quality, timely and cost-efficient outcomes. Through this policy, the Board of Regents exercises its stewardship and oversight responsibilities over ~~such~~ capital projects on the lands under its control.

Additionally, the execution of ~~design and~~ contracts related to such capital projects is delegated to ensure efficiency and accountability in ~~the~~ management and administration. Those signing ~~design and construction~~ contracts ~~binding the Board of Regents~~ are expected to have the requisite level of judgment and expertise to represent the Board of Regents.

## Capital Project Approval

~~Section 16.855(12m), Wis. Stats. allows the Board of Regents to let and supervise UW System capital projects funded entirely through gifts and grants if such projects are bid using single prime contracting.~~

Board of Regents approval is required for any capital project ~~solely managed by the UW System~~ that costs more than ~~\$1,000,000~~\$5,000,000. Approval by the Board of Regents must shall be sought at or before 25 percent of design being completed. Additional Board of Regents approval ~~shall be required if~~ is required for capital projects that cost more than \$5,000,000 when there is:

- An increase to the budget of a capital project that exceeds the ~~estimated~~ budget previously authorized by the Board of Regents by 10 percent or more; or
- A material alteration to the scope of a project ~~is materially altered~~ from when authorization was initially provided by the Board of Regents.

~~Projects~~ Capital projects of ~~\$1,000,000~~\$5,000,000 or less may be approved by a chancellor, or an employee delegated authority by the chancellor, subject to policies and procedures governing capital projects ~~solely managed by the UW System, which shall be~~ established by the UW System President. A chancellor may not delegate such authority without consulting with the UW System Office of Capital Planning and Budget and receiving written approval from the UW System President. The Board of Regents shall receive regular reports on capital projects that are solely managed by the UW System costing \$1,000,000 or less from the UW System Office of Capital Planning and Budget.

## ~~Design and Construction~~Capital Project Contract Signature Authority

The Board of Regents delegates to the UW System President the authority to execute ~~design and construction~~ contracts for related to capital projects ~~solely managed by the UW System, including design and construction contracts ("capital project contracts")~~. For projects costing more than ~~\$1,000,000~~\$5,000,000, the UW System President may not authorize design and construction work beyond the 25 percent design completion phase without obtaining Board of Regents approval for the project.

The UW System President may delegate capital project contract signature authority under this policy to other UW System Administration senior officials and chancellors. The UW System President shall establish the conditions under which a chancellor may delegate capital project contract signature authority ~~for specific documents supporting the design and construction process~~. Any delegation for capital project contract signature authority made by the UW System President or a chancellor must be made in writing and filed in the Office of the President.

## Reporting

The Office of Capital Planning and Budget will provide a report to the Board of Regents on a semi-annual basis for capital projects covered by this policy.

## Oversight, Roles, and Responsibilities

The Office of the President is responsible for maintaining a current list of delegations made under this policy and for ensuring appropriate levels of oversight are maintained over the use of any ~~design and construction contract signature authority~~ such delegations.

The Office of Capital Planning and Budget ~~shall~~ will assist the UW System President in developing and maintaining policies ~~and~~ procedures ~~for overseeing, and reporting to oversee~~ capital projects solely managed by the UW System.

## Related Regent Policies and Applicable Laws

- Regent Policy Document 13-1, General Contract ~~Signature Authority~~, Approval, Signature Authority, and Reporting
- Regent Policy Document 13-2, Real Property Contracts: Signature Authority and Approval
- Section 16.855-~~(12m)~~, Wis. Stats., Construction Project Contracts

*History: Res. 10708, adopted 06/10/2016, created Regent Policy Document 13-5. Res. XXXXX, adopted 02/10/2023, amended Regent Policy Document 13-5.*

Regent Policy Document 13-5

# Capital Projects Solely Managed by the UW System: Approval, Signature Authority, and Reporting

## Scope

This policy outlines the approval process and authorization necessary to sign contracts related to capital projects solely managed by the UW System on behalf of the Board of Regents (“capital projects”) and reporting requirements.

General signature authority for contracts not related to real property or construction is outlined in Regent Policy Document 13-1, “General Contract Approval, Signature Authority, and Reporting.”

Signature authority for real-property contracts is outlined in Regent Policy Document 13-2, “Real Property Contracts: Signature Authority and Approval.”

## Purpose

The purpose of this policy is to establish that Board of Regents approval is required for all capital projects costing more than \$5,000,000, to establish semi-annual reporting requirements to the Board of Regents for such projects, and to delegate authority to sign contracts associated with these projects.

## Policy Statement

It is the policy of the Board of Regents to ensure that capital projects deliver high-quality, timely and cost-efficient outcomes. Through this policy, the Board of Regents exercises its stewardship and oversight responsibilities over capital projects on the lands under its control.

Additionally, the execution of contracts related to capital projects is delegated to ensure efficiency and accountability in management and administration. Those signing contracts are expected to have the requisite level of judgment and expertise to represent the Board of Regents.

## Capital Project Approval

Board of Regents approval is required for any capital project that costs more than \$5,000,000. Approval by the Board of Regents must be sought at or before 25 percent of design being completed. Additional Board of Regents approval is required for capital projects that cost more than \$5,000,000 when there is:

- An increase to the budget of a capital project that exceeds the budget previously authorized by the Board of Regents by 10 percent or more; or
- A material alteration to the scope of a project from when authorization was initially provided by the Board of Regents.

Capital projects of \$5,000,000 or less may be approved by a chancellor, or an employee delegated authority by the chancellor, subject to policies and procedures governing capital projects established by the UW System President. A chancellor may not delegate such authority without consulting with the UW System Office of Capital Planning and Budget and receiving written approval from the UW System President.

## Capital Project Contract Signature Authority

The Board of Regents delegates to the UW System President the authority to execute contracts related to capital projects, including design and construction contracts (“capital project contracts”). For projects costing more than \$5,000,000, the UW System President may not authorize design and construction work beyond the 25 percent design completion phase without obtaining Board of Regents approval for the project.

The UW System President may delegate capital project contract signature authority under this policy to other UW System Administration senior officials and chancellors. The UW System President shall establish the conditions under which a chancellor may delegate capital project contract signature authority. Any delegation for capital project contract signature authority made by the UW System President or a chancellor must be made in writing and filed in the Office of the President.

## Reporting

The Office of Capital Planning and Budget will provide a report to the Board of Regents on a semi-annual basis for capital projects covered by this policy.

## Oversight, Roles, and Responsibilities

The Office of the President is responsible for maintaining a current list of delegations made under this policy and for ensuring appropriate levels of oversight are maintained over the use of any such delegations.

The Office of Capital Planning and Budget will assist the UW System President in developing and maintaining policies, procedures, and reporting to oversee capital projects solely managed by the UW System.

## Related Regent Policies and Applicable Laws

- Regent Policy Document 13-1, General Contract Approval, Signature Authority, and Reporting



- Regent Policy Document 13-2, Real Property Contracts: Signature Authority and Approval
- Section 16.855, Wis. Stats., Construction Project Contracts

*History: Res. 10708, adopted 06/10/2016, created Regent Policy Document 13-5. Res. XXXXX, adopted 02/10/2023, amended Regent Policy Document 13-5.*

ORIGINAL Regent Policy Document 13-5

# Capital Projects Solely Managed by the UW System: Approval and Signature Authority

## Scope

This policy outlines both the approval process and authorization necessary to sign contracts related to construction projects solely managed by the UW System on behalf of the Board of Regents.

General signature authority for contracts not related to real property or construction is outlined in Regent Policy Document 13-1, "General Contract Signature Authority, Approval, and Reporting."

Signature authority for real-property contracts is outlined in Regent Policy Document 13-2, "Real Property Contracts: Signature Authority and Approval."

## Purpose

The purpose of this policy is to establish that Board of Regents approval is required for all capital projects that the UW System solely manages costing more than \$1,000,000. The policy also delegates authority to sign contracts associated with these projects.

## Policy Statement

It is the policy of the Board of Regents to ensure that capital projects solely managed by the UW System deliver high-quality, timely and cost-efficient outcomes. Through this policy, the Board of Regents exercises its stewardship and oversight responsibilities over such capital projects on the lands under its control.

Additionally, the execution of design and contracts related to such projects is delegated to ensure efficiency and accountability in the management and administration. Those signing design and construction contracts binding the Board of Regents are expected to have the requisite level of judgment and expertise to represent the Board.

## Capital Project Approval

Section 16.855(12m), Wis. Stats. allows the Board of Regents to let and supervise UW System capital projects funded entirely through gifts and grants if such projects are bid using single prime contracting.

Board of Regents approval is required for any capital project solely managed by the UW System that costs more than \$1,000,000. Approval by the Board shall be sought at or before 25 percent of design being completed. Additional Board approval shall be required if:

- a project exceeds the estimated budget previously authorized by the Board by 10 percent or more; or
- the scope of a project is materially altered from when authorization was initially provided by the Board.

Projects of \$1,000,000 or less may be approved by a chancellor, subject to policies and procedures governing capital projects solely managed by the UW System, which shall be established by the UW System President. The Board of Regents shall receive regular reports on capital projects that are solely managed by the UW System costing \$1,000,000 or less from the UW System Office of Capital Planning and Budget.

## Design and Construction Contract Signature Authority

The Board of Regents delegates to the UW System President the authority to execute design and construction contracts for capital projects solely managed by the UW System. For projects costing more than \$1,000,000, the UW System President may not authorize design and construction work beyond the 25 percent design completion phase without obtaining Board approval for the project.

The UW System President may delegate signature authority under this policy to other UW System Administration senior officials and chancellors. The President shall establish the conditions under which a chancellor may delegate signature authority for specific documents supporting the design and construction process. Any delegation made by the President must be made in writing and filed in the Office of the President.

## Oversight, Roles, and Responsibilities

The Office of the President is responsible for maintaining a current list of delegations made under this policy and for ensuring appropriate levels of oversight are maintained over the use of any design and construction contract signature authority.

The Office of Capital Planning and Budget shall assist the UW System President in developing and maintaining policies and procedures for overseeing capital projects solely managed by the UW System.

**UW-MADISON HOST CAMPUS PRESENTATION,  
“TRANSFORMING THE BUILT ENVIRONMENT”**

**REQUESTED ACTION**

For information only.

**SUMMARY**

UW-Madison’s capital project program is crucial to the success of the university and its mission of research, education, and outreach. This complex program requires effective collaboration across the university and with partners from UW System and the State of Wisconsin.

The presentation provides an update on UW-Madison’s efforts to transform its built environment. A significant number of capital projects are underway currently, however the challenge presented by aging academic and research facilities is significant. Competing institutions are moving faster to address facility needs in support of their missions. If we want to achieve our goals, we also need to do more and do it faster, or we will continue to fall behind.

UW-Madison’s capital projects support its world-class research, education, outreach programs, and strategic priorities. The strategies of understanding the current portfolio, leveraging existing delivery options, pursuing targeted demolition, and using common sense financial strategies continue to inform university actions.

**Presenters**

- Cindy Torstveit, Associate Vice Chancellor for Facilities, Planning, and Management, UW-Madison