

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM
Capital Planning and Budget Committee Minutes
Tuesday, April 15, 2025

The April 15, 2025, meeting of the Capital Planning and Budget (CPB) Committee, which was held via Zoom Videoconferencing, was called to order at 11:00 a.m. by Committee Chair Regent Edmund Manydeeds.

A. Calling of the Roll

Present: Regents Edmund Manydeeds, Jim Kreuser, Tim Nixon, Cris Peterson, Joan Prince, Ashok Rai, Mark Tyler and Karen Walsh

B. Declaration of Conflicts

Before considering any items on the agenda, Committee Chair Regent Manydeeds asked if any Board members wished to declare any conflicts of interest as per Regent Policy Document 2-4, "Ethics and Conflict of Interest Policy for the UW System Board of Regents." No conflicts of interest were declared.

C. Approval of the Minutes of the February 6, 2025 Meeting of the Capital Planning and Budget Committee

After receipt of a motion and second, the minutes of the February 6, 2025, meeting of the Capital Planning and Budget Committee were approved as presented.

D. Proposed Consent Agenda

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

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

E. UW-Madison: Authority to Accept a Gift of Ownership Interests in Two Condominiums at the Wisconsin Institute for Discovery and Computer, Data, & Information Sciences Building

Senior Associate Vice President, Alex Roe explained that WARF wants to divest itself of two condominiums located at 309 and 330 N. Orchard Street. First at 309 N Orchard, WARF shares space with Morgridge Institute for Research (MIR) and UW-Madison. WARF would like to gift a total of about 220,977 square feet; 44,195 to UW-Madison and 176,782 to MIR. Second at 330 N. Orchard, WARF would like to gift 19,820 square feet (the total of the building) to UW-Madison. UW-Madison already uses the space for research there and are paying a prorated share of operating costs.

The total value of the gift is \$38M. An endowment will be established to fund future capital investments and operating expenses through the donation process. While renovating or updating the 15 year old building in the very near future is not anticipated, establishing a long-term plan for the upkeep and maintenance is critical.

Regent Rai inquired if the research will be affected by the change of ownership from WARF to UW-Madison and WID. Vice Chancellor of Finance and Administration at UW-Madison, Rob Cramer stated that the research will not be affected. It will remain the same; private research with MIR and public research with Wisconsin Institute for Discovery (WID). Regent Rai followed up with a question about conflicts with UW policies moving the space to UW-Madison ownership. VC Cramer stated that there is no conflict.

Regent Nixon asked why this gift is being offered now. VC Cramer answered that a few things are driving this request. First is the 100-year anniversary of WARF and this donation is a way to celebrate their support of UW-Madison and research in the state of Wisconsin. Second is improving their balance sheet by removing this space from their financials in terms of depreciation. Lastly, the Morgridges have been long term generous benefactors of UW-Madison and they would like to see this happen in the short term.

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

- F. UW System: Authority to Construct the Central Plants and Utility Distribution Renovations Projects at UW-La Crosse and UW- Stevens Point for an estimated total cost of \$14,624,100 (\$8,696,990 Segregated Revenue, \$4,394,110 Program Revenue Supported Borrowing and \$1,533,000 CASH).

SAVP Roe explained that in the 23-25 Capital Budget, \$156,942,000 was allocated for six utility projects. River Falls and Milwaukee have received authorized funds for their utility projects. La Crosse and Stevens Point are next to be authorized. Only Green Bay and Madison remain outstanding.

At UW-La Crosse, their utility project expands the chilled water capacity at the east plant by replacing the non-functioning chiller with a new chiller. Existing cooling towers shall be removed and replaced along with associated condenser water pumps and piping.

At UW- Stevens Point, their utility project replaces aging utility distribution infrastructure along Fourth Avenue, Isadore Street and Reserve Street to correlate and follow a planned municipal project to reconstruct the street. Project work includes replacing underground steam and pumped condensate lines, five new steam pits, and primary and signal ductbank. Steam and pumped condensate laterals to HEC, Science Building and CPS will be upgraded.

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

- G. Report of the Senior Associate Vice President

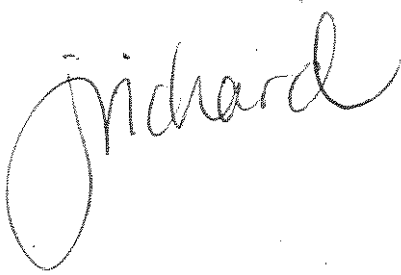
SAVP Roe shared that the State Building Commission held hearings on Governor Evers 2025-27 Capital Budget recommendations on March 24th and 25th. Universities of Wisconsin received an opportunity to testify on their needs and discuss their impact on the state with regard to workforce development, in particular the need to continue to produce health care and STEM-related degrees. There are eight members of the SBC with two subcommittees

comprised of four members each. The UW's projects received a two-to-two vote in the Higher Education subcommittee. Meaning there was no recommendation to the full commission. On the 25th the full SBC met, and each agency's project listing received a four-to-four vote. Therefore, no recommendation was provided by the SBC to Joint Finance Committee (JFC).

The DOA sent over to JFC on April 1st as is required by law, Governor Evers's recommendation as a starting point for them to consider as it is the next step in the development or approval of a capital budget for the State of Wisconsin. The governmental relations team along with SAVP Roe and AVP DeeJ Lundgren have been visiting various legislators to go over the Board's approved capital budget. They are expanding the meetings to include JFC members and other key legislators. Given that the capital budget is usually done after the operating budget, SAVP Roe does not expect JFC to assume the capital budget until sometime in late May. Currently, JFC members are on their listening tour where many Chancellors and other community leaders are testifying on behalf of their operating and capital requests.

The Capital Planning and Budget Committee adjourned at 11:14 a.m. by a motion from Regent Walsh and seconded by Regent Kreuser.

Respectfully submitted,

A handwritten signature in cursive script that reads "Janis Richard". The signature is written in dark ink and is positioned above the printed name and title.

Janis Richard
Committee Clerk