

BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM
Capital Planning and Budget Committee Minutes
Thursday, June 5, 2025

The June 5, 2025, meeting of the Capital Planning and Budget (CPB) Committee, which was held in the Wisconsin Room at UW-Milwaukee's Student Union and via Zoom Videoconferencing, was called to order at 8:45am by Committee Chair Regent Edmund Manydeeds.

A. Calling of the Roll

Present: Regents Edmund Manydeeds, Jim Kreuser, Tim Nixon, 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 April 15, 2025 Meeting of the Capital Planning and Budget Committee

After receipt of a motion and second, the minutes of the April 15, 2025, meeting of the Capital Planning and Budget Committee were approved as presented.

D. Proposed Consent Agenda

1. UW-Oshkosh: Authority to Sell Approximately 5.7 Acres of Unimproved Land Located in the City of Oshkosh
2. UW System: Authority to Construct an All Agency Maintenance and Repair Project

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

E. UW-System: Authority to Construct the Central Plants and Utility Distribution Renovations Project

Senior Associate Vice President, Alex Roe explained that as part of the 23-25 capital budget, CPB received an enumeration of \$156,942,000 for six utility projects. Four projects have been previously approved and received authorized funds: River Falls, Milwaukee, La Crosse, and Stevens Point. UW-Green Bay is next to be authorized.

This project at UW-Green Bay will install (2) new 1400-ton electrical water-cooled chillers within the Central Plant along with associated cooling towers, pumps, controls, piping, and miscellaneous equipment. They will also remove one 1200-ton chiller and one decommissioned 725-ton steam-driven chiller. These units are over 50 years old, inefficient, and have significant repair needs, rendering them unusable. These new units will be significantly more efficient and will allow for maximum flexibility in the plant.

Regent Rai inquired if the 10% contingency allocated for this project is enough given the situation with tariffs. SAVP Roe stated that they are hopeful that 10% will be enough but can not say for certain until the project is bid. If the contingency is short, they will be back to request a budget increase. Moving forward with future projects she stated that 15% will most likely be projected.

Regent Walsh asked to confirm that the age of the chillers are fifty years old and SAVP Roe confirmed. Regent Walsh said she did not think they lived 50 years and SAVP Roe said that campuses start to look at the chillers around 30 years.

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

F. UW System: Status Report on Real Estate Transactions December 1, 2024 through May 31, 2025

Deej Lundgren, Associate Vice President for Engineering, Planning, and Real Estate and Ellen Rosner, Real Estate Portfolio Manager joined the table to present the highlights of real estate transactions the past 6 months.

There have been five leases for new space executed in the last six months: two for UW-Eau Claire, two for UW-Madison, and one for UW-Platteville, Baraboo-Sauk County. Notably, four of the six leases were for parking or transportation purposes. Three of the leases required and received Board approval. Eight leases were either amended or renewed, and two leases were terminated for a net reduction in leased space of 4,944 square feet.

G. UW-Milwaukee: Host campus presentation “Capital Planning and Progress to Support Our Unique ‘Tripartite’ Mission.”

Robin Van Harpen, Senior Vice Chancellor for Finance & Administrative Affairs and Melissa Spadanuda, Associate Vice Chancellor for Facilities, Planning & Management provided University of Wisconsin-Milwaukee’s (UWM) capital planning strategy and priorities which is a unique “tripartite” mission focused on access and student success, research excellence, and deep community service and engagement. In the presentation, UWM provided a brief overview of progress made since its 2010 long-range campus facilities plan paving the way to update the long-range campus plan that will begin next fiscal year. Within this framework, UWM will provide brief updates on projects recently completed or underway, as well as UWM’s most important unaddressed major academic facility needs: the Health Sciences Renovation and the Engineering & Neuroscience Project, both critical to Wisconsin’s talent pipeline.

Regent Walsh inquired about the process of vetting a group of consultants for the long range planning projects. What is the budget and how are charges being assessed? SAVP Roe explained after consulting with DOA, they were given permission to do long range planning through the CPB office and not through their office which was a step forward for CPB. The guidelines from DOA are that CPB picks the prime consultant, but the engineers have to be from Wisconsin since they know the rules and the campuses.

She continued that they stood up a multi-university RFP committee to create the pool of firms. Once that is determined, each university can choose which firm meets their needs based on their subconsultants. For example, if the university wants transportation planning, they will need a transportation subconsultant or if a condition assessment is wanted, a condition assessment subconsultant is needed. This will allow each campus to view the broad array of firms and assemble subconsultants according to the proposed scope of work. SAVP stated that they have not decided yet on how many firms will be considered but the contract would be for 5 years. As for how the firms will be paid, each campus will discuss their ability to pay with CPB and the Office of Financial Administration to determine how to proceed.

Regent Walsh asked if this is a new venture for CPB. SAVP Roe responded yes because in the past DOA had managed the process, but DOA is about design and construction and not planning. This would solely be a planning exercise. There will be no buildings built or renovated. It is just planning for the future of each campuses physical space and what projects could go forth. Regent Walsh reiterated that the structure of this process will reflect the way we actually plan. SAVP Roe added that she is hopeful this will give the campuses more ownership.

During the presentation, the presenters mentioned they received input from a broad sector of campus when assessing their needs. Regent Walsh asked them who is at the center of this group. AVC Spadanuda responded that when there is a major capital project, there is a charter. That charter details everyone involved from everyday meetings to leadership committees to sponsors. As well as the campus planning team at UWM which leads the efforts and collaborates with consultants who are the experts in bringing the right people to the table.

Regent Rai inquired if DOA paid for the long term planning costs in the past since they managed the process. SAVP Roe replied they did not. This cost is not new to CPB. But there was high level discussions with the president and the secretary at DOA about the process and DOA agreed to give CPB permission to take it over. SAVP Roe stated that they welcomed DOA's input and to be part of the committees going forward.

Regent Manydeeds thanked SVC Van Harpen and AVC Spadanuda for the presentation. He stated that we are all in this together and to make decisions within CPB's established framework to get projects up and running. He encouraged everyone to continue to work within that framework and not try to go outside to game the system which occurs occasionally.

H. Report of the Senior Associate Vice President

SAVP Roe stated they have been spending time with members of the Legislature, particularly those who are in leadership positions or sit on Joint Finance. While the meetings have been positive, there is no clear understanding of how the budget request will be incorporated into the overall budget. The legislature will complete the operating budget work first before they move onto the capital portion.

CPB has uploaded into Board Effect a copy of the one-pagers that were developed by their office and the universities for each project/program in the capital budget request. These one-pagers are being handed out to legislators during their meetings. The pictures are helpful, particularly for those who will not get an opportunity to visit a university. SAVP Roe thanked all their colleagues across the system as they advocate for the budget. Chancellors and their leadership teams have attended Joint Finance hearings, have spent numerous hours meeting with legislators in Madison as well as hosting them on campus. An enormous amount of advocacy has taken place over the last 6 months.

Although CPB is still working on the legislative process to get the 2025-27 biennial budget approved, they have started early campus meetings regarding the 2027-33 6-year capital plan. The CPB office issued draft capital budget instructions to the universities last week.

The next capital budget process is being changed up a bit by starting with the campus visits in the fall before they put together their requests. CPB will have productive conversations about issues, concerns, and priorities in the universities' plans before they spend enormous amounts of time preparing the various documents necessary to support their budget request. Those visits start in the fall after their capital planning conference in early September.

Their primary focus for the next biennium is to continue to repair the aging facilities, demolish and replace obsolete facilities, particularly if no replacement is needed and to focus on high-demand and distinguished programs.

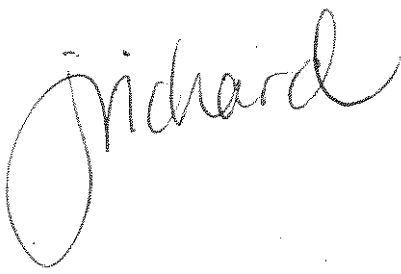
The capital budget will reflect the core values of the president's strategic plan by promoting flexibility and adaptability to changing conditions, ensuring fiscally prudent and environmentally friendly projects, and ensuring that projects are implemented in a timely fashion.

Regent Walsh asked SAVP Roe to explain the importance of demolition in particular the safety issues with some buildings. SAVP Roe replied that a few universities want to remove residence halls since they do not meet the needs of students. Some are beyond repair and have been empty for a while. Even though it is not costly to have these buildings empty, it is a safety issue if people try to enter them or if the building has hazardous mold/asbestos in them.

Regent Rai commended SAVP Roe for creating the one-pagers. They were well done. SAVP Roe thanked the universities for providing the data and pictures which made it easier to talk to legislators when they had these documents to view. Legislators cannot visit all the campuses, and this provides a picture of what is needed.

The Capital Planning and Budget Committee adjourned at 9:33 a.m. by a motion from Regent Walsh and seconded by Regent Rai.

Respectfully submitted,

A handwritten signature in cursive script, reading "Janis Richard". The signature is written in black ink on a white background.

Janis Richard
Committee Clerk