

**BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYSTEM
EXECUTIVE COMMITTEE**

Monday, August 1, 2016
10:00 a.m.
To be held by telephone conference

1820 Van Hise Hall
1220 Linden Drive
Madison, Wisconsin

AGENDA

1. Calling of the roll
2. UW-Eau Claire: Authority to Lease Space for the Purpose of Housing
[Resolution 2.]
3. UW-Eau Claire: Authority to Enter into an Agreement with Confluence Council, LLC to Provide Performing and Visual Arts Space
[Resolution 3.]
4. UW-Madison: Authority to Lease Space for the College of Agricultural and Life Sciences
[Resolution 4.]
5. UW-Madison: Authority to Purchase Agricultural Land for the Marshfield Agricultural Research Station
[Resolution 5.]
6. UW-River Falls: Authority to Demolish the Karges Center and the Nelson Building
[Resolution 6.]
7. UW-Whitewater: Approval of the Design Report and Authority to Increase the Budget and Construct the Athletic Complex Buildings Project
[Resolution 7.]
8. UW-Whitewater: Authority to Lease Space for the Children's Center and Other Community-Based Outreach Programs
[Resolution 8.]
9. UW System: Approval of the UW-Madison Wendt Commons Second and Third Floor Renovation Projects and Authority to Combine the Projects
[Resolution 9.]
10. UW System: Authority to Construct Various All Agency Maintenance and Repair Projects
[Resolution 10.]
11. Adjourn

Authority to Lease Space for the Purpose of
Housing, UW-Eau Claire

CAPITAL PLANNING AND BUDGET COMMITTEE

Resolution:

That, upon the recommendation of the UW-Eau Claire Chancellor and the President of the University of Wisconsin System, authority be granted to enter into a new lease of 154,372 gross square feet at the Haymarket Landing apartment building for the purpose of housing.

THE UNIVERSITY OF WISCONSIN SYSTEM

**REQUEST FOR
BOARD OF REGENTS ACTION
AUGUST 2016**

INSTITUTION: University of Wisconsin-Eau Claire

REQUEST: Authority to enter into a new lease of 154,372 gross square feet at the Haymarket Landing apartment building for the purpose of housing.

BACKGROUND:

Haymarket Landing is mixed-use development containing a 410-bed student apartment complex and 34,000 of retail space located one mile from campus. The project was developed by Haymarket Concepts, LLC, a partnership between Commonweal Development, Market & Johnson, and Blugold Real Estate, Inc., on behalf of the UW-Eau Claire Foundation. The residential component is in the process of a condominium conversion which will then be solely owned by Blugold Real Estate.

UW-Eau Claire has an existing capacity of on-campus housing for 3,754 students. Enrollment of freshmen and sophomore students is more than 4,000 students, leaving a significant shortage of beds to meet their needs.

For decades, the demand for on-campus housing has exceeded supply, and the Office of Housing and Residence Life has operated at greater than 100 percent capacity. Since the opening of Chancellor's Hall in the year 2000, which added 324 beds, residence hall occupancy has continued to fall short of demand and fluctuate between 101 and 110 percent of design capacity. During 12 of the last 15 years, the university has entered into short-term arrangements with local hotels to house new students in campus-sponsored space. Due to a lack of available beds, the residency requirement for second-year students to remain on campus has been waived for years. In order to meet demand, every possible study lounge has been converted into a multi-student living space with resident assistants now required to have roommates. More than 250 students are housed in lounges.

The supply of university student housing will be severely impacted in coming years due to several factors. Local hotels are being re-developed, which will reduce the number of available beds by 115 next year, and the Towers South Hall will be taken off-line for renovation in fall of 2017, reducing the total bed count by 585. UW-Eau Claire has demonstrated the need for net new square footage by illustrating enrollment growth coupled with a student housing shortage over the last ten years. This shortage will be exacerbated with the planned renovation of a number of other residence halls over the next several years.

LEASE DESCRIPTION:

The university will lease the facility for five years. The lease rate includes the basic maintenance of the building and a contribution towards capital renewal. Utilities, water, sewer, and trash collection will be paid directly by UW-Eau Claire, while other costs such as real estate taxes, property insurance, landscaping, and snow removal will be completed by a property management company and reconciled annually based on the university's pro rata share of the project. UW-Eau Claire will provide the necessary student services such as resident assistants, security, and mental health counseling.

University Function	Apartment complex
Lease Location	202 Eau Claire Street, Eau Claire, Wisconsin
Type of Negotiation or Selection Process	Sole source
Lessor	Blugold Real Estate, Inc., a subsidiary of the UW-Eau Claire Foundation
Anticipated Occupancy Date	August 2016
Lease Term	5 years
Escalation Rate	1.75%
Renewal Option(s)	Two one-year renewals
Purchase Option	No
Space Type	Housing for 410 students (not including food service) Studio 16 units/16 students 1 bedroom 2 units/2 students 1 bedroom/den 6 units/12 students 2 bedroom 53 units/212 students 2 bedroom/den 6 units/24 students 4 bedroom 36 units/144 students
Square Feet	Total: 154,372
Total Gross Cost per Square Foot	Base rent \$10.81 Capital renewal \$0.55 Maintenance (HVAC/roof) \$0.55 Real Estate taxes \$2.33* Maintenance/management \$0.85* <u>Utilities/janitorial/refuse</u> <u>\$1.92*</u> Total cost per sf \$17.01
Initial Lease Term Cost	Base rent \$1,668,000 Capital renewal \$84,473 <u>Maintenance</u> <u>\$84,288</u> Total cost \$1,836,761
Funding Source	Housing revenue

*These costs will be paid directly by UWEC

PREVIOUS ACTION: None.

Authority to Enter into an Agreement with
Confluence Council, LLC, to Provide
Performing and Visual Arts Space,
UW-Eau Claire

CAPITAL PLANNING AND BUDGET COMMITTEE

Resolution:

That, upon the recommendation of the UW-Eau Claire Chancellor and the President of the University of Wisconsin System, authority be granted to enter into a facility rental agreement with Confluence Council, LLC, to provide performing and visual arts space for a period of 20 years.

**UW-EAU CLAIRE AGREEMENT
WITH THE CONFLUENCE ARTS COUNCIL
TO PROVIDE PERFORMING AND VISUAL ARTS SPACE**

BACKGROUND

The Haas Fine Arts Center at UW-Eau Claire houses the departments of art and design, music, and theatre arts. Only minor repairs and renovations have been made to that facility since its original construction. A pre-design study completed in December of 2015 considered various alternatives that culminated in a three-phase renovation plan and the relocation of the Theatre Arts Program into the new Confluence Center.

REQUESTED ACTION

Adoption of Resolution 3.

DISCUSSION

The University of Wisconsin-Eau Claire is prepared to enter into a facility rental agreement with the Confluence Arts Council, LLC (Council), a not-for-profit organization created to manage the operations of the Confluence Arts Center.

The Confluence Arts Center is part of a mixed-use real estate development called the Confluence Project located in downtown Eau Claire. The Confluence Arts Center is owned by Eau Claire Confluence Arts, Inc., a non-stock, not-for-profit corporation. The Confluence Arts Center was developed to provide performance and gallery space for UW-Eau Claire and community arts organizations around Eau Claire. To date, funding for the Confluence Arts Center includes \$8.5 million from the Eau Claire City Council and the Eau Claire County Board, \$15.0 million of non-state grant funding as part of Wisconsin Act 55, and philanthropic contributions of over \$12.0 million. Each of the proposed community arts organizations will enter into either a lease or a rental agreement with the Council.

FACILITY RENTAL AGREEMENT DESCRIPTION:

University Function	Performing and visual arts
Lease Location	Confluence Arts Center, Eau Claire, Wisconsin
Type of Negotiation or Selection Process	Sole source
Lessor	Confluence Arts Council, LLC
Anticipated Occupancy Date	July 2018
Lease Term	20 years
Escalation Rate	Expenses to be reconciled annually
Renewal Option(s)	None
Purchase Option	No
Space Type – This is a mixture of shared and dedicated space.	<p>Main theatre 1,200 to 1,500 seats Flexible theatre 400 seats Performance/rehearsal space Scene shop and storage Lighting studio Costume shop and storage Make-up studio Recording studio Dressing rooms/green room Classrooms Faculty offices Art gallery Ticket office</p> <p>Dedicated space 20,332; 16.13% of total* Shared space 49,220; 39.05% of total*</p>
Square Feet	69,552
Total Gross Cost	<p>Utilities (gas, sewer, water, electric, trash), \$325,000 Service agreements, Repairs and Maintenance, Insurance (property and liability) <u>Building capital reserves</u> 100,000 Total annual cost \$425,000</p>
Initial Term Lease Cost	\$8,500,000
Funding Source	General Program Revenue and Program Revenue

*Design is not yet final. Final square footage allocations may change.

Other provisions of the contract can be summarized as follows:

- The Confluence Arts Center will provide approximately 126,000 square feet of arts and performance space. The majority of that space will be space shared by various users.
- UW-Eau Claire is leasing approximately 20,300 square feet of dedicated space and 49,000 of shared space. As such, rent is not calculated on a per-square-foot basis. Expenses will be annually reconciled based on a pro rata share of occupied and shared space.

- The UW-Eau Claire Theatre Arts Department will move to the Confluence Arts Center upon completion, though the Riverside Theatre and a small amount of space in Haas Fine Arts Center located on campus will still be used by the Theatre Arts Department.
- One new full-time equivalent staff person will be hired and split their time between a teaching appointment and as Production and Operations Manager for the UW-Eau Claire dedicated space.
- Custodial, maintenance, and building operations personnel are included in the annual operating expenses.
- There is no projected impact on student fees.
- Ticket sales revenue from student performances and other special events sponsored by the university will be returned to the university as revenue.
- Total value of this agreement is approximately \$8,500,000.

PREVIOUS ACTION:

- 10/05/2012
Resolution 10129
- Approved the concept of the public-private partnership known as the Confluence Project, a shared university and community arts facility and off-campus apartment-style student residence hall to be located in the South Barstow Historic Riverfront District in downtown Eau Claire, as it has been described in materials and a presentation to the Board’s Capital Planning and Budget Committee; the board approved the following guiding principles for the development of the Confluence Project if it is to involve participation by UW-Eau Claire and the UW System Board of Regents:
1. The entity or entities that will own and operate the private components of the Project’s arts facilities must provide satisfactory proof of an independent guarantor or surety of the financial and operational obligations of the entity or entities;
 2. The Project’s operating agreement must ensure that neither UW-Eau Claire nor the Board of Regents will be liable for more than their prorated share of operational costs;
 3. The value of the public component of the Project’s arts facilities must be directly proportional to the amount of the state investment in that component, as confirmed by independent audit;
 4. The Project’s development process must be conducted in cooperation with the state Department of Administration and in compliance with all project delivery requirements relating to fair competition and transparency; and
 5. The state’s investment in the art’s facility portion of the Project must not exceed \$25 million.
- Upon satisfaction of these guiding principles and upon the further recommendation of the UW-Eau Claire Interim Chancellor and the President, the Board of Regents will consider seeking enumeration of the state portion of the Project as an amendment in the 2013-15 Capital Budget for funding in 2015-17, or in subsequent capital budgets.
- 8/21/2014
Resolution 10393
- “...Let it be further resolved, that the University of Wisconsin System Board of Regents reaffirms its support for the UW-Eau Claire Confluence Project and directs the President or his designees to work with the Department of Administration to implement the project.”

Authority to Lease Space for the College of
Agricultural and Life Sciences,
UW-Madison

CAPITAL PLANNING AND BUDGET COMMITTEE

Resolution:

That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to enter into a new lease agreement to provide 100,000 gross square feet of research-based space for the College of Agricultural and Life Sciences.

THE UNIVERSITY OF WISCONSIN SYSTEM

**REQUEST FOR
BOARD OF REGENTS ACTION
AUGUST 2016**

INSTITUTION: University of Wisconsin-Madison

REQUEST: Authority to enter into a new lease agreement to provide 100,000 gross square feet of research-based space for the College of Agricultural and Life Sciences.

BACKGROUND:

Monsanto Company, Inc. is vacating a fully-operational 100,000-square-foot crop biotechnology research facility in the city of Middleton. Rather than disposing of the building and equipment, Monsanto has offered to gift the facility to URP Crop Innovation Center, LLC, a wholly-owned non-profit subsidiary of University Research Park (URP), which in turn will lease the facility to UW-Madison. Pending satisfactory completion of agreements between Monsanto, UW-Madison and URP, the university plans to establish the Wisconsin Crop Innovation Center in the leased premises, which will offer public and private researchers the ability to convert scientific hypotheses to practical application more efficiently than do current university facilities.

Establishment of the Wisconsin Crop Innovation Center at UW-Madison will increase the university's competitiveness for crop genetic and breeding research grants. Internally, the Great Lakes Bioenergy Research Center, funded by the Department of Energy, is utilizing crop transformation to evaluate strategies to break barriers to biofuel production. Another benefit is that the Wisconsin Crop Innovation Center will keep researchers on campus as future competitive grant proposals are submitted.

Other benefits include the development of new technologies to generate crops that require less water, have higher yields, or improved nutritional content, flavor, or biomedical properties. The facility will serve as a training center for crop biotechnology and transgene stewardship, and how to effectively use technology to address world hunger and sustainability.

LEASE DESCRIPTION:

University Research Park will lease the facility to UW-Madison, College of Agricultural and Life Sciences (CALs) for a term of ten years, with rental payments consisting only of reimbursement of University Research Park's share of the annual operating expenses.

University Function	Research
Lease Location	8520 University Green, Middleton, Wisconsin
Type of Negotiation or Selection Process	Sole source
Lessor	URP Crop Innovation Center, LLC
Anticipated Occupancy Date	August 2016

Lease Term	10 years								
Escalation Rate	Actual expenses reconciled annually								
Renewal Option(s)	Two five-year renewals								
Purchase Option	No								
Space Type	<table> <tr> <td>Laboratory and office</td> <td>50,000</td> </tr> <tr> <td>Climate Controlled environment</td> <td>15,000</td> </tr> <tr> <td>Greenhouse</td> <td>28,000</td> </tr> <tr> <td>Head house *</td> <td>7,000</td> </tr> </table>	Laboratory and office	50,000	Climate Controlled environment	15,000	Greenhouse	28,000	Head house *	7,000
Laboratory and office	50,000								
Climate Controlled environment	15,000								
Greenhouse	28,000								
Head house *	7,000								
Square Feet	Total 100,000								
Total Gross Cost per Square Foot	<table> <tr> <td>Base Rent</td> <td>\$1.00</td> </tr> <tr> <td>Operating expenses</td> <td>\$11.00</td> </tr> <tr> <td></td> <td>(\$1,100,000 annually)</td> </tr> </table>	Base Rent	\$1.00	Operating expenses	\$11.00		(\$1,100,000 annually)		
Base Rent	\$1.00								
Operating expenses	\$11.00								
	(\$1,100,000 annually)								
Initial Term Lease Cost	\$10.00								
Funding Source	Research Grant Funding								

* A head house typically contains the mechanicals, office, and storage for greenhouse operations.

PREVIOUS ACTION: None.

Authority to Purchase Agricultural Land for
the Marshfield Agricultural Research
Station, UW-Madison

CAPITAL PLANNING AND BUDGET COMMITTEE

Resolution:

That, upon the recommendation of the UW-Madison Chancellor and the President of the University of Wisconsin System, authority be granted to acquire two contiguous parcels of land totaling 81.6 acres located in the Town of McMillan, Wisconsin, for \$309,500 Cash.

THE UNIVERSITY OF WISCONSIN SYSTEM

**REQUEST FOR
BOARD OF REGENTS ACTION
AUGUST 2016**

INSTITUTION: The University of Wisconsin-Madison

REQUEST: Authority to acquire two contiguous parcels of land totaling 81.6 acres located in the Town of McMillan, Wisconsin, for \$309,500 Cash.

PROJECT DESCRIPTION:

The two parcels of land are in close proximity to the UW-Madison Marshfield Agricultural Research Station (see attached map). The 81.6 acre property contains crop land and a small amount of wooded area. The \$309,500 purchase price is based on the agreed upon average of two appraisals.

A Phase I environmental audit of this property was completed and there is verbal confirmation that no environmental hazards exist on this property.

PROJECT JUSTIFICATION:

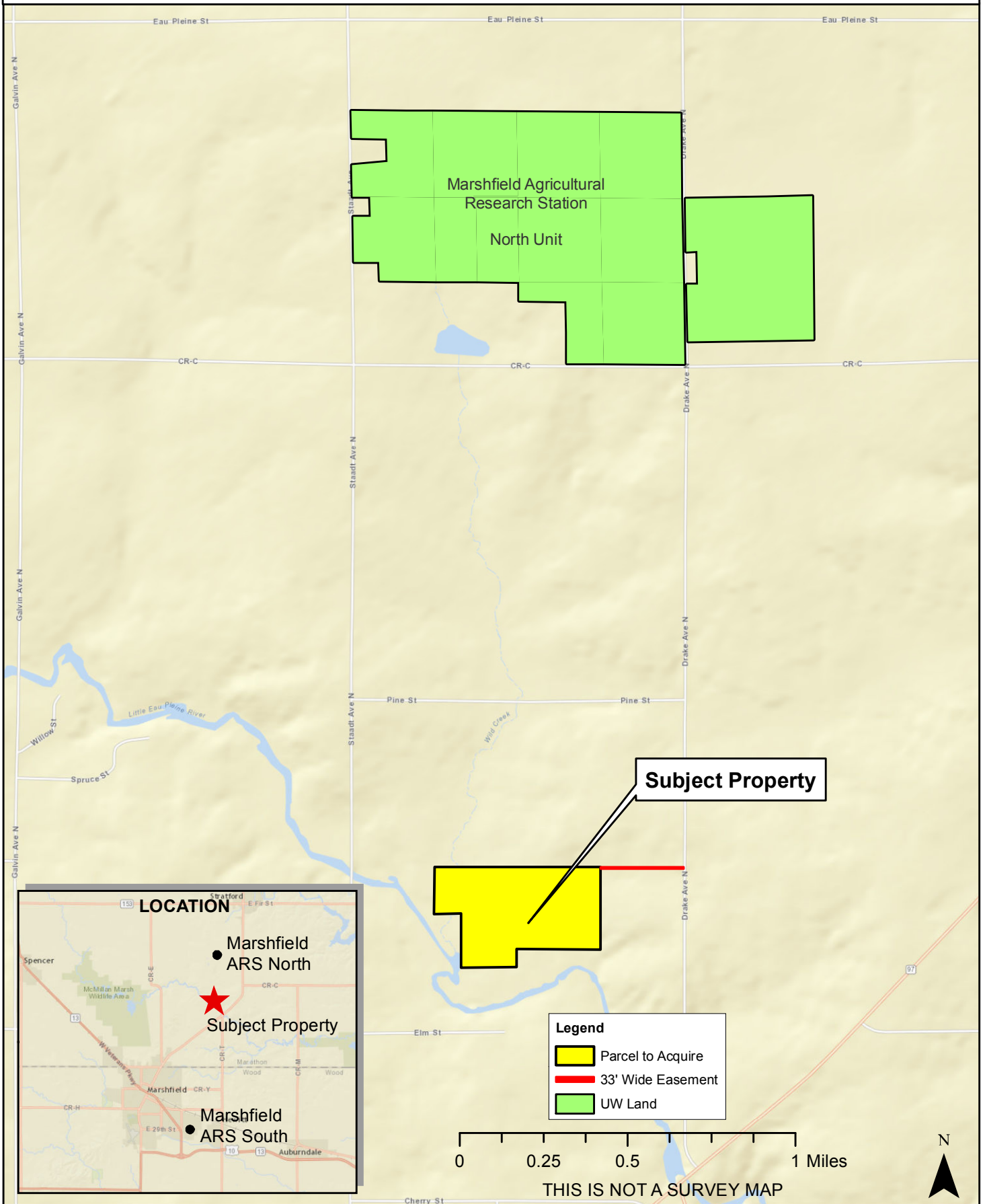
The UW-Madison Marshfield Agricultural Research Station (MARS) was established in 1912 on 80 acres of land granted to the university by Wood County and the city of Marshfield. MARS has now grown to more than 1,200 acres and facilitates and conducts research and outreach activities that support agricultural development and natural resource conservation on the difficult-to-manage soils of north-central and northern Wisconsin. MARS works to improve nutrient management systems to reduce nutrient and pathogen transfer from livestock waste to air, water and soil. MARS serves as an outdoor laboratory and teaching facility. Daily research is studied on heifer growth and management, genomic data implementation, and understanding pathogens present on the modern dairy farm.

The College of Agricultural and Life Sciences - Marshfield Agricultural Research Station has leased this property since 2011 at \$3,250 annually. The property is not within the current research station boundary; however, its location less than two miles from MARS made it desirable for acquisition and continued research.

BUDGET: N/A

PREVIOUS ACTION: None.

UW-Madison Marshfield Agricultural Land Purchase



Authority to Demolish the Karges Center
and the Nelson Building, UW-River Falls

CAPITAL PLANNING AND BUDGET COMMITTEE

Resolution:

That, upon the recommendation of the UW-River Falls Chancellor and the President of the University of Wisconsin System, authority be granted to demolish the Karges Center and Emogene Nelson Building as Phase III of the Falcon Center for Health Education and Wellness project for a total project cost of \$1,100,000 (\$700,000 Building Trust Funds and \$400,000 Gift Funds).

THE UNIVERSITY OF WISCONSIN SYSTEM

**REQUEST FOR
BOARD OF REGENTS ACTION
AUGUST 2016**

INSTITUTION: UW-River Falls

REQUEST: Authority to demolish the Karges Center and Emogene Nelson Building as Phase III of the Falcon Center for Health Education and Wellness project for a total project cost of \$1,100,000 (\$700,000 Building Trust Funds and \$400,000 Gift Funds).

PROJECT DESCRIPTION:

This project executes the third and final phase of the Falcon Center for Health, Education, and Wellness project that will demolish the Karges Center and Emogene Nelson building. The work will include abatement of hazardous materials, relocation of a sewer pipe under the Nelson building, and removal and termination of all building utilities. Foundations and basement floors will be removed. The resulting cavity will be filled, the sites will be leveled to match existing terrain, and the finished surface will be turf grass. The west end of May Hall will be capped, and the northwest entrance doors to Hagestad Hall will be replaced.

PROJECT JUSTIFICATION:

The Falcon Center for Health, Education, and Wellness project was divided into three phases. The first phase, completed in 2015, included sitework, utilities, a new pressbox and artificial turf at Ramer Field, and a new grounds maintenance building. Phase II, now under construction, completes sitework, installs utilities, constructs 166,000 gross square feet of new space, and remodels 15,000 gross square feet of existing space.

Phase III, demolition of Karges Center and Emogene Nelson Building, was deferred due to the lack of available building trust funds at the time Phase II was approved by the State Building Commission. The building trust funds are now available, and the UW-River Falls Foundation has funding for its portion of the Phase III work.

The Karges Center and the Emogene Nelson Building house the Falcon Athletics Department and Health and Human Performance Department, respectively. The buildings will be vacant when those departments relocate to the Falcon Center for Health, Education, and Wellness upon its completion in September of 2017.

Both buildings have been deemed infeasible for re-use by the institution due to both their poor building geometry and physical condition. Furthermore, neither building meets the definition of "historic properties" as defined by Wis. Stat. s. 13.48 (1m). The 2011 Campus Master Plan supports the demolition of these buildings. The Karges Center site will be used for a future residence hall. The Emogene Nelson Building site will be used to construct a new ADA accessible entrance and elevator for May Residence Hall.

BUDGET:

Construction	\$918,000
Design	79,000
DFD Mgt.	39,000
Contingency	64,000
Other Fees	0
TOTAL	\$1,100,000

PREVIOUS ACTION:

This project was formerly known as the UW-River Falls Health and Human Performance Building project.

- December 10, 2010
Resolution 9854
- Approved that the Health and Human Performance/Recreation Building project be added to the UW System 2011-13 Capital Budget request as an advanced enumeration request with a total project cost of \$63,512,000 (\$50,356,000 General Fund Supported Borrowing, \$10,399,000 Program Revenue Supported Borrowing and \$2,056,000 Gift Funds, and \$701,000 Building Trust Funds).
- December 09, 2011
Resolution 10000
- Granted authority to request the release of \$3,770,000 Building Trust Funds-Planning for the Health and Human Performance Building project, as needed by the project.
- September 6, 2013
Resolution 10258
- Approved the Design Report of the Ramer Field Renovation -Press Box Replacement project (which is Phase I of the Falcon Center for Health, Education, and Wellness project) and granted authority to construct the project at an estimated total project cost of \$2,140,000 (\$300,000 Program Revenue Supported Borrowing, \$200,000 Program Revenue-Cash, and \$1,640,000 Gift Funds).
- October 11, 2013
Resolution 10267
- Approved the Design Report of the Falcon Center for Health, Education, and Wellness project (Phase II) and granted authority to construct the project for an estimated total cost of \$62,412,000 (\$50,491,000 GFSB, \$10,264,000 PRSB, and \$1,657,000 Gift Funds).

Approval of the Design Report and
Authority to Increase the Budget and
Construct the Athletic Complex Buildings
Project, UW-Whitewater

CAPITAL PLANNING AND BUDGET COMMITTEE

Resolution:

That, upon the recommendation of the UW-Whitewater Chancellor and the President of the University of Wisconsin System, the Design Report of the Athletics Complex Buildings project be approved and authority be granted to: (a) increase the project budget by \$1,000,000 (\$550,000 Cash and \$450,000 Gift Funds); and (b) construct the project for an estimated total cost of \$5,236,000 (\$1,403,000 Program Revenue Supported Borrowing, \$1,733,000 Cash, and \$2,100,000 Gift Funds).

THE UNIVERSITY OF WISCONSIN SYSTEM

**REQUEST FOR
BOARD OF REGENTS ACTION
AUGUST 2016**

INSTITUTION: The University of Wisconsin-Whitewater

REQUEST: Approval of the Design Report of the Athletics Complex Buildings project and authority to: (a) increase the project budget by \$1,000,000 (\$550,000 Cash and \$450,000 Gift Funds); and (b) construct the project for an estimated total cost of \$5,236,000 (\$1,403,000 Program Revenue Supported Borrowing, \$1,733,000 Cash, and \$2,100,000 Gift Funds).

PROJECT DESCRIPTION:

This project will construct a new 1,568 GSF Athletic Grounds Maintenance Building, and renovate and construct additions to the Athletic Services Building and the Baseball Services Building as described below. A new 1,016 GSF unheated Concessions/Press Box building will be constructed to support baseball services.

Athletic Grounds Maintenance Building:

This 1,568 GSF new facility will house an office with two workstations and file storage, an ADA accessible single occupant restroom, a workshop and tool storage area, a utility sink with an eyewash station, a parking area for five grounds maintenance vehicles, and a vehicle maintenance area.

Athletic Services Building: The project will renovate 5,100 GSF of the building and a 3,998 GSF addition will be added. The renovated and expanded facility will include: a locker and team meeting rooms with new accessible toilet and shower areas, renovations to the visiting team locker room, a visiting coaches' locker room; an expanded physical therapy/training area, including a new hydro-therapy room; an equipment storage area and a ticket office.

Baseball Services Buildings:

1,555 GSF of this building will be renovated, the current 733 GSF second level will be demolished, and 7,829 GSF will be added. The first floor of the renovated and expanded facility will include: a large team locker room with new accessible restroom and shower areas, expanded equipment storage, a new locker suite including a player lounge and locker room attached to the existing toilets/showers, and a new athletic training room. The second floor will include: a new administrative suite with three offices and a small conference room, a multi-purpose alumni suite with an attached server, accessible toilet rooms, locker rooms, and a recruiting lounge. A team meeting room and an outdoor deck for game viewing will also be added to the second level.

The project will also construct a new 1,016 GSF three season (unheated) concessions/press box building for use only during the baseball season. The first floor of this structure will house a

permanent concessions stand with a storage room. The second floor includes a two-tier press box that is accessible by lift and a glass-enclosed room for game announcers. An open stair with an upper platform will be provided to serve as a game day camera location. Developing a separate concession stand/press box building is a reduction of space from what was originally planned for this aspect of the project.

PROJECT JUSTIFICATION:

The UW-Whitewater athletics program has grown as enrollment has increased. The football and baseball teams have won multiple championships and the men's basketball team won the 2014 NCAA Division III Men's Basketball Championship. There is a need to expand the support spaces for these growing programs.

The Athletic Services Building was constructed in 1970 and has never been renovated. The athletic grounds maintenance functions do not have their own dedicated space and are currently located in the already crowded Athletic Services Building. The Baseball Services Building provides minimal support for the varsity baseball team. The upper level for the facility is not ADA accessible and the facility does not provide public restrooms or a permanent concessions area.

The increase to the project budget is due to recent bid results that demonstrate the increasing costs of construction, especially for smaller, more complex projects. The design document cost estimate calculated by a construction contractor confirmed this trend.

BUDGET:

Construction	\$4,192,000
Design	415,000
DFD Mgt	184,000
Contingency	400,000
Equipment	0
Other Fees	45,000
TOTAL	\$5,236,000

PREVIOUS ACTION:

August 21, 2014
Resolution 10393

Authorized that the Athletic Complex Buildings project at a total project cost of \$1,403,000 Program Revenue Supported Borrowing be submitted to the Department of Administration and the State Building Commission for enumeration as part of the 2015-17 Capital Budget request.

Authority to Lease Space for the Children's
Center and Other Community-Based
Outreach Programs, UW-Whitewater

CAPITAL PLANNING AND BUDGET COMMITTEE

Resolution:

That, upon the recommendation of the UW-Whitewater Chancellor and the President of the University of Wisconsin System, authority be granted to enter into a new lease of 51,000 square feet of space for the Children's Center and other community-based outreach programs.

THE UNIVERSITY OF WISCONSIN SYSTEM

REQUEST FOR BOARD OF REGENTS ACTION AUGUST 2016

INSTITUTION: UW-Whitewater

REQUEST: Authority to enter into a new lease of 51,000-square-feet of space for the Children's Center and other community-based outreach programs.

BACKGROUND:

The UW-Whitewater 2015 Campus Master Plan identified space deficiencies which led to an increased effort to identify functions that need to be consolidated, relocated or expanded to maximize the university's academic mission. Several departments were identified that are better suited for an off-campus location, as their mission is to serve the community while providing clinical and practicum experience for students.

The Warhawk Real Estate Foundation, an affiliated non-profit organization, plans to purchase a vacant building that is located three blocks from campus and lease it to the university at a market rental rate to accommodate these departments.

As part of the UW System president's directive, all requests for new net square footage, including leases, must qualify under at least one of four evaluative categories: facility standards and compliance, academic program and enrollment growth, revenue-based initiatives (including community outreach), and effective use of capital and operating resources.

This proposal addresses critical academic program and enrollment growth needs. A primary focus of this request is community outreach and the expansion of economic development through co-location of the business community outreach services, e.g., Small Business Development Center, Wisconsin Innovation Services Center, Wisconsin Center for IT Services, and United States Association for Small Business and Entrepreneurship. Together these centers allow small businesses to access to UW-Whitewater's business faculty in a convenient location. Additionally, this request allows for the relocation of the child care center, which could then expand its enrollment by an additional 50 children. The relocation and expansion of the Communicative Disorders Clinic would allow it to serve 100 more patients with speech, language, and hearing issues. Likewise, the relocation of the Counseling Clinic allows it to serve more clients. The Psychology and Sociology departments will also co-locate clinics in service with community partners. These opportunities provide essential applied learning opportunities for students. The tuition revenue generated by the enrollment of 45 additional students in the College of Business and Economics and the College of Education and Professional Studies that are supported by this new space will cover the base rental expense.

LEASE DESCRIPTION:

This double net lease requires the university to be responsible for all taxes, operating expenses, and building maintenance. The university will lease the estimated 150 parking spaces to students for an additional \$30,000 generated in parking revenue. The foundation will contribute \$500,000

towards tenant improvement costs for the initial build-out. The Real Estate Foundation has agreed to commit additional funds for renovations once design and construction plans are finalized.

University Function	Children's Center ¹	11,600 SF
	College of Education & Professional Studies ²	3,400 SF
	College of Business & Economics ³	12,000 SF
	College of Letters and Sciences ⁴	5,000 SF
	Remaining - General Storage	10,000 SF
Lease Location	1260 W. Main Street, Whitewater, Wisconsin	
Type of Negotiation or Selection Process	Sole Source	
Lessor	Warhawk Real Estate Foundation	
Anticipated Occupancy Date	September 1, 2016	
Lease Term	10 years	
Escalation Rate	0% for years one through five. 2% in year six 0% in years seven through ten.	
Renewal Option	Two five-year options	
Purchase Option	None	
Space Type	Clinic and education support space	
Square Feet	51,000 SF	
Total Gross Cost per Square Foot	Base rent	\$7.05
	Payment in lieu of taxes	\$1.00 *
	Utilities	\$2.00 *
	Janitorial	\$1.25 *
	Common area maintenance	\$2.00 *
	Total	\$13.30
Initial Lease Term Cost	\$7,121,475	
Funding Source	Program revenue	

*Estimates for budgeting purposes as taxes and utilities will be billed directly to campus and existing staff will be performing.

- ¹ This is the only NAEYC licensed child care center in the city of Whitewater.
- ² This includes the Counseling Clinic and the Communicative Disorders Clinic which operates an audiology and speech aphasia clinic for the public.
- ³ The college will create a dedicated small business development center to consolidate multiple functions currently located in separate rooms in Hyland Hall.
- ⁴ Sociology and Psychology will co-locate clinics to partner with Walworth County on Social Issues.

SCHEDULE:

Proposed construction to begin upon approval.

PREVIOUS ACTION:

None.

Approval of the UW-Madison Wendt
Commons Second and Third Floor Projects
and Authority to Combine the Projects,
UW System

CAPITAL PLANNING AND BUDGET COMMITTEE

Resolution:

That, upon the recommendation of the President of the University of Wisconsin System, authority be granted to complete the design and construction of the following two UW-Madison projects in the Kurt F. Wendt Commons facility: (1) renovation of 13,000 gross square feet of the second floor as a laboratory, (2) renovation of 15,000 gross square feet of the third floor as instructional space; and, in addition, to combine the two projects into one, for a total cost of \$5,839,000 Gift Funds.

THE UNIVERSITY OF WISCONSIN SYSTEM

REQUEST FOR BOARD OF REGENTS ACTION AUGUST 2016

- INSTITUTION:** UW System on behalf of the University of Wisconsin–Madison
- REQUEST:** Approval to complete the design and construction of the following two UW-Madison projects in the Kurt F. Wendt Commons facility: (1) renovation of 13,000 GSF of the second floor as a laboratory, (2) renovation of 15,000 GSF of the third floor as instructional space; and, in addition, to combine the two projects into one, for a total cost of \$5,839,000 Gift Funds.

Wendt Commons 2nd Floor–Maker Space Renovation Project

DESCRIPTION: This project renovates the second floor of Wendt Commons into a student innovation and design center.

The scope of this project includes an open concept fabrication lab containing 3D digital printers, laser cutters, robotic routers, electronic board assembly facilities, and test and measurement equipment, while providing ample circulation and collaboration space. In addition to the lab, meeting spaces, offices, conference rooms and storage areas will be built around the periphery of the floor to support the lab. A large glass wall will be built behind a reception desk to allow visitors to observe the lab activities while also providing secure access into the design space.

JUSTIFICATION: Wendt Commons was constructed in 1974 as the home to the Engineering Library. The library is underutilized by College of Engineering (COE). The project will make better use of the space by providing a centrally located innovation and design center for use by all COE students. The need for a fabrication lab is a high priority for COE so that it can provide its students with access to state-of-the-art fabrication equipment that is commensurate with competitive peer institutions.

PREVIOUS ACTION: None.

Wendt Commons 3rd Floor Classroom Remodeling Project

DESCRIPTION: This project converts the third floor of Wendt Commons to general assignment classrooms. Work includes demolition of all third-floor offices and construction of three sets of expandable classrooms with folding partitions. A 49-station classroom, a 24-station computing laboratory, and a 12-person conference room will also be constructed. The restrooms will be expanded and renovated to meet current ADA accessibility standards. The building electrical, telecommunication, and wireless services will be upgraded and augmented as required for the additional load. Mechanical systems throughout the building will be upgraded. A fire suppression

system will be added to the entire building.

JUSTIFICATION: As mentioned above, Wendt Commons is underutilized by COE. The project will optimize its utilization by providing the needed surge space within the engineering campus for additional classroom/labs, research labs, and faculty offices. Many instructional spaces in Engineering Hall are too small and inflexible for modern teaching methods. Converting space in Wendt Commons to instructional space is consistent with the direction the campus is pursuing in both downsizing its libraries and ensuring that instructional spaces meet the needs of education innovations.

PREVIOUS ACTION: None.

Combination of the Two Projects

JUSTIFICATION: The Division of Facilities Development (DFD) commenced design of the Wendt Commons third floor laboratory project in April of 2015. An architectural consultant was hired, work progressed, and last month the project reached 35% of design. Design documents are scheduled to be completed for construction bidding in November of 2016.

In accordance with the newly granted authority to manage gifts and grants projects, the UW System in partnership with UW-Madison initiated the renovation of Wendt Commons second floor in May of 2016. A design team was hired, work progressed, and the project reached 25% of design last month. This project is also scheduled to go for bid in November of 2016.

DFD has given permission for UW System to assume sole management of the third-floor project once design documents have reached 35%. Both projects have the same architectural consultant, are located in adjacent spaces, and are scheduled to bid simultaneously. Given the proximity of project locations, same type of funding, and the same consultant team, the university wishes to combine the projects into one to achieve cost and time efficiencies. This request seeks approval to amend the Wendt Commons second-floor consultant contract to include the Wendt Commons third-floor remaining scope of work, including completion of design documents and construction oversight.

Authority to Construct Various All Agency
Maintenance and Repair Projects,
UW System

CAPITAL PLANNING AND BUDGET COMMITTEE

Resolution:

That, upon the recommendation of the President of the University of Wisconsin System, authority be granted to construct various maintenance and repair projects at an estimated total cost of \$10,551,000 (\$460,600 General Fund Supported Borrowing; \$8,943,500 Program Revenue Supported Borrowing; and \$1,146,900 Cash).

THE UNIVERSITY OF WISCONSIN SYSTEM

**REQUEST FOR
BOARD OF REGENTS ACTION
AUGUST 2016**

INSTITUTION: University of Wisconsin System

PROJECT REQUEST: Authority to construct various maintenance and repair projects at an estimated total cost of \$10,551,000 (\$460,600 General Fund Supported Borrowing; \$8,943,500 Program Revenue Supported Borrowing; and \$1,146,900 Cash).

UTILITY REPAIR AND RENOVATION

INST	PROJ. NO.	PROJECT TITLE	GFSB	PRSB	CASH	GIFT/GRANT	TOTAL
PKS	13J2Z	Sanitary Sewer System Repairs	\$460,600		\$94,300		\$554,900
PLT	15B1V	Southwest Precinct Vehicle Entrance Impr		\$128,000	\$222,000		\$350,000
URR SUBTOTALS			\$460,600	\$128,000	\$316,300	\$0	\$904,900

HEALTH, SAFETY, AND ENVIRONMENTAL PROTECTION

INST	PROJ. NO.	PROJECT TITLE	GFSB	PRSB	CASH	GIFT/GRANT	TOTAL
MSN	15G1E	Univ Houses Ext Envelope Repr (Increase)			\$830,600		\$830,600
HSE SUBTOTALS			\$0	\$0	\$830,600	\$0	\$830,600

ENERGY CONSERVATION

INST	PROJ. NO.	PROJECT TITLE	GFSB	PRSB	CASH	GIFT/GRANT	TOTAL
MSN	16G1F	Multi-Bldg Energy Conservation, Phase VIII		\$4,117,500			\$4,117,500
OSH	16G1E	Multi-Bldg Energy Conservation, Phase V		\$4,698,000			\$4,698,000
EC SUBTOTALS			\$0	\$8,815,500	\$0	\$0	\$8,815,500

	GFSB	PRSB	CASH	GIFT/GRANT	TOTAL
AUGUST 2016 TOTALS	\$460,600	\$8,943,500	\$1,146,900	\$0	\$10,551,000

PROJECT DESCRIPTION:

Utility Repair and Renovation Requests

PKS – Sanitary Sewer System Repairs (\$554,900): This project repairs the campus sanitary sewer system, including correcting areas with infiltration of ground water or inflow of surface water. Project work includes sewer system cleaning, inspection, and evaluation of approximately 12,000 LF of sanitary sewer main and laterals and associated manholes. Repair areas will be identified. Construction of repairs includes sewer pipe replacement, pipe lining, manhole replacement and manhole adjustment. The project will also identify and document municipally-owned sanitary sewer systems in the vicinity of the Orchard Courts Apartments, which are currently connected to the campus services.

The campus and the Town of Somers water/sewer utility have investigated the potential of infiltration of the sanitary sewer system by groundwater or cross connections. A temporary

meter was installed near the sanitary sewer exit to the campus. This meter identified a large increase in flow during wet periods. A comparison of water usage and sewage indicates an issue with the integrity of the system. The sanitary sewer was installed in the late 1960s and has not had any cleaning or inspections. This water infiltration impacts the campus utility budget and ability of the water utility to manage the treatment of sewage during these peak periods. A permanent metering system was installed in the fall of 2013 to measure the quantity and the quality of effluent and provide reports to the campus and Town of Somers for their analysis.

The university has an agreement from the early 1970s with a private apartment complex to provide connections to the campus water and sewer systems. The original intent was that the private apartments would provide housing for UW-Parkside students, but water and sewer utilities were not available in the area at the time of its development. However, connections to the local utility are now available to serve the apartment development and the campus, and this project will identify and document those options to facilitate removing the private apartments from the campus service.

PLT – Southwest Precinct Vehicle Entrance Improvements (\$350,000): This project reconfigures and reconstructs the vehicle and pedestrian pavements to Bridgeway Commons, Engineering Hall, Southwest Hall, and Parking Lots 27 and 30 from Southwest Road. Project work includes clearing and grubbing, common excavation, removal of existing asphalt pavement and base course, placing base course and hot mix asphalt pavement, concrete sidewalk and steps, handrail, concrete curb and gutter, storm sewer, site lighting, signing, split concrete block retaining wall and landscaping. This area of campus shares a single entrance for all vehicular traffic, including straight truck and semi-tractor trailer delivery vehicles. This entrance is moderately steep, "S" shaped, and approximately 26 feet wide by 170 feet long.

The vehicle entrance was originally designed and constructed for light use, serving only Southwest Residence Hall, a 380-bed residence hall, and Lot 27 (16 stalls), both constructed in 2006. In 2009, Engineering Hall (108,500 GSF) and Lot 30 (84 stalls) were constructed. In 2013, the Bridgeway Commons Residence Hall and Dining Facility (430-bed, plus campus dining commons) was constructed. Although building development and vehicular traffic at the Southwest Precinct has increased, the vehicle entrance remains unchanged and can no longer adequately serve the campus needs. The vehicle entrance does not have curb or gutter and has wide gravel shoulders to assist vehicles negotiating the serpentine curves. These gravel shoulders regularly erode, requiring continual maintenance and repair.

The vehicle entrance is inferior for several reasons. The sightlines from the vehicle entrance onto Southwest Road are poor due to angle, slope, and area grade. The grade creates a safety problem in the winter since vehicles must stop at the bottom on the slope and yield to Southwest Road traffic. The serpentine design creates a potential hazard for all vehicles, and is a particular hazard for motorcycles, mopeds, bicycles, and pedestrians that are using this entrance at the same time as straight trucks and semi-tractor trailer delivery vehicles. These larger vehicles are challenged by the tight curves of the road and routinely crossover into the opposite lane to negotiate the entrance. There is no pedestrian sidewalk along the entrance drive, and as a result, pedestrians walk in the paved entrance way. Site lighting is inadequate.

Health, Safety, and Environmental Protection

MSN – University Houses Exterior Envelope Repair (\$830,600 increase for a total project cost of \$2,337,600): This request increases the budget and scope of work to complete the lead safing and encapsulation work within the housing complex. The additional scope of work includes removal of chipped and deteriorated lead paint on the exterior façade elements (wood columns and fascia and brick masonry). The project will complete removal work already in progress in some areas and encapsulate additional areas.

During the course of already approved repair work, elevated lead levels were detected in the exterior paint. A small project was implemented to assess the extent of the deteriorating paint on the exterior wood components. While that assessment was being completed, some of the lead was abated using contingency funds, but additional funds are now needed to complete the abatement.

Energy Conservation

These two projects will construct various energy conservation measures resulting from recently completed energy assessments for one building at UW-Madison and nine buildings at UW-Oshkosh.

- a) MSN – Multi-Building Energy Conservation, Phase VIII (\$4,117,500): Five energy conservation measures will be implemented by this project. A majority of the energy savings will be achieved through control upgrades to the HVAC systems. More specifically, these HVAC control upgrades will allow for better building scheduling and use of "setback" and "unoccupied" run modes, which will reduce demand of conditioned air as well as minimize the need for exhausting conditioned air to the outside. The remaining energy savings will be achieved through water savings by converting water cooled chillers from city water cooling to campus chilled water and lighting retrofits from fluorescent to LED technologies. The implementation of the energy conservation measures identified in this request will result in an anticipated annual energy cost savings of approximately \$272,000.
- b) OSH – Multi-Building Energy Conservation, Phase V (\$4,698,000): Six energy conservation measures will be implemented by this project. A majority of the energy savings will be achieved by upgrading interior lighting systems to LED fixtures across multiple campus buildings and making improvements to the heating and ventilation systems in the Arts and Communications Building to allow for more efficient operation. These changes will take place across multiple campus buildings. Additional savings will be achieved through implementing new building automation controls in Radford Hall to include better occupancy based control strategies, and upgrading the IT cooling system in Dempsey Hall with more energy efficient hardware. The implementation of the energy conservation measures identified in this request will result in an anticipated annual energy cost savings of approximately \$295,000.

The Department of Administration and the University of Wisconsin System embrace high-performance green building standards and energy conservation for state facilities and operations. 2005 Wisconsin Act 141 requires each agency to develop energy cost reduction plans. Plans must include all system and equipment upgrades that will pay for themselves in energy cost reductions over their useful life. The energy savings performance contracting program provides

a process for UW System to effect energy cost reductions in existing buildings and utility systems. This project will assist UW-Madison and UW-Oshkosh in complying with these energy reduction goals. The implementation of the energy conservation measures identified in this request will result in an anticipated annual energy cost savings with a simple payback of 15.2 years at UW-Madison and 15.9 years at UW-Oshkosh. This is below the state energy fund simple payback requirement of 16 years or 20-year payback with repayment at a 5.25% bond rate and a 3% inflation rate. The savings are to be measured, verified, and guaranteed by the energy service company.

PROJECT JUSTIFICATION:

UW System Administration continues to work with each institution to develop a comprehensive campus physical development plan, including infrastructure maintenance planning. After a thorough review and consideration of All Agency Project proposals and infrastructure planning issues submitted, as well as the UW All Agency Projects Program funding targets set by the Division of Facilities Development, this request represents high priority University of Wisconsin System infrastructure maintenance, repair, renovation, and upgrade needs. This request focuses on existing facilities and utilities, targets the known maintenance needs, and addresses outstanding health and safety issues. Where possible, similar work throughout a single facility or across multiple facilities has been combined into a single request to provide more efficient project management and project execution.

BUDGET AND SCHEDULE:

General Fund Supported Borrowing.....	\$ 460,600
Program Revenue Supported Borrowing.....	8,943,000
Agency Cash.....	\$ <u>1,146,900</u>

Total Requested Budget\$ 10,551,000

PREVIOUS ACTION:

July 2015	The Board of Regents previously approved MSN – University
Resolution 10540	Houses Exterior Envelope Repair at an estimated total cost of
	\$1,507,000 Cash.