



## Facilities Planning & Management

UNIVERSITY OF WISCONSIN-MADISON

### MEETING MINUTES – APPROVED

#### Campus Planning Committee

March 28, 2019

School of Education – 1000 Bascom Mall

Room 159 – Wisconsin Idea Room

8:30am to 10:00am

1. CALL TO ORDER

Present: Ken Cameron; Aaron Crandall (Jenny Dahlberg); Mark Eriksson; Aris Georgiades; Joel Gerrits; Yevgenya Grinblat; Mike Kinderman; Jim LaGro; Sarah Mangelsdorf; Lesley Moyo; Kurt Paulsen; Doug Reindl; John Karl Scholz; Bret Shaw; Leon Shoheit; Julie Zachman

Absent: Teresa Adams; Agalia Ardivasa; Mark Markel; Ian Robertson; Liz Sadowski;

FP&M: Jay Bieszke; Gary Brown; David Darling; Kip McMahan; Margaret Tennessen; Aaron Williams

Guests: Chris Bruhn; Ben Futa; Irwin Goldman; Pat Rebholz; Doug Sabatke; Kurt Stephenson; Kate VandenBosch;

a. Mangelsdorf, committee chair, called the meeting to order at 8:35am.

2. OLD BUSINESS

a. Meeting Minutes from November 29, 2018. (ACTION ITEM)

- **A motion by Paulsen, seconded by LaGro, to approve minutes as revised.**
  - **4a. changed to read ‘Next meeting tentatively January 24, 2019’**

3. NEW BUSINESS

a. 2019-21 Capital Budget status report (David Darling)

- Presentation: <https://cpla.fpm.wisc.edu/planning/campus-planning-committee-cpc/>
- Capital budget timeline presented, current location through final legislative approval.
- The State Building Commission’s (SBC) sub-committee on Higher Education makes a recommendation to the Joint Finance Committee (JFC) which brings a recommendation to full legislature prior to submitting to Governor.
- Currently there is alignment with Board of Regents (BOR) and Governor’s office. There is still a gap in how UW is ranking projects in the context of competing with the entire UW System.
  - Scholz: There is a difference in funding sources, what does this indicate?
    - Darling: Historically academic buildings were funded 100% by GFSB. This has not been typical as of late and UW-Madison has had to find alternative funding via gift/grants.

- Darling: There is concern about how debt is aggregated on a System-wide basis, which could impact UW-Madison by the amount of available state bonding.
- All 82 votes at SBC failed. SBC is divided 4/4 along party lines with no tie-breaker available by the chair. Ties are a failed vote. UW does not know what will occur at the JFC. UW is currently working with UW Government Relations on approach/messaging.
- If our projects do not proceed as requested, CPC will need to redirect our priorities in the next biennium (2021-23). We'll also need to decide what could be dropped/delayed from the 2019-21 capital budget, if necessary.
  - Scholz: On the academic side of the house we see buildings crumbling, but we see the Athletic projects going forward – can you explain how the different funding sources contribute?
    - Darling: This has to do with PRSB and GFSB funding. Athletics projects tend to be 100% program revenue supported borrowing and gift/grant funded. Not so with our academic units.
  - Shohet: PRSB and GFSB still both require state bonding.
  - Scholz: UW is unique in that the State's bonding is tied up with roads and prisons making less bonding available for all of the UW GFSB/PRSB projects.
  - Reindl: Is the Bascom Utility Project or Vet Med project contingent on enabling projects?
    - Darling: Vet Med yes (Linden Drive Parking Structure and demolition of existing UW buildings). The other project priorities do not have enabling projects of that scale and scope.
  - Darling: UW System had provided a substantial effort into acquiring independent bonding authority from the State for our PRSB projects, but this has received minimal debate and likely won't be supported by the legislature.
- UW has made a pre-enumeration request to restore funding to the Building Trust Fund (BTF), which UW-Madison has been cut off from in the recent past. This funding can be used for preliminary studies for GFSB projects.
- Deferred projects have been slid into the 2021-23 biennium per UWSA, which allows those project to gain additional scoring points when reviewed in that biennial budget.
- CPC discussion and consideration: How will we prioritize the projects that do not make the cut?
  - Housing projects may struggle going forward – there is a State discussion about private sector development of these projects. UW does not support sole private development for student housing.
  - Eriksson: Are these 'points' at System?
    - Darling: UW System scores all capital budget requests, but their scoring is not purely quantitative as there is a political component. State funding is considered an economic development program for various constituencies around the State. Funding is a WI jobs program.
  - Shohet: Deferred projects might have a higher priority than new projects, how do you propose integrating new projects into the deferred projects?
    - Provost: Projects with a large private gift component influence priority.
    - Darling: If projects are 100% gift/grant funded, UW can also then deliver the project outside the DOA/DFDM process which can speed delivery and save money overall on the project.
      - i. Gift funded projects <\$1M – no BOR or SBC approval needed and no need for enumeration.
      - ii. Gift funded projects \$1M up to \$3M require BOR and SBC approvals but again, no enumeration in a capital budget.
  - Georgiades: Can you elaborate on the Housing position by the State?
  - LaGro: Since housing creates its own revenue, have we explored P3 (Public, Private Partnerships)?
    - Darling: Yes, there has been good on-going discussions on P3. It is not an easy process and is currently frowned upon by the State. A P3 process requires a different avenue of approval and we do not have an ideal project yet to use this approach for project delivery.

- UW does not want independent bonding authority without independent contracting control included.
- b. 2021-27 Capital Planning Process (David Darling)
  - This presentation is related to the future biennia projects that is currently in development.
  - Importance of meeting with schools/colleges/divisions (SCD – aka units).
    - Reviewed existing plans, met with facilities staff, deans, and unit leadership.
    - Assigned a facilities liaison FP&M project manager with each SCD to help develop projects moving forward.
    - SCD’s need strategic plans that can be incorporated into the Facilities Master Plan which can educate and inform the 6-year capital development plan.
  - We’ve learned that we have excess square footage on campus because our buildings are not meeting the functional alignments of the program requirements. We are encouraging renovations to fit groups into existing spaces as it is the fastest and most cost-effective way to meet the mission of the University.
  - In late June 2019, FP&M is planning to have a list of proposed capital planning initiatives to meet with Executive Leadership Team for the 2021-27 Six-Year Plan and to discuss those in the context of what is known about the current 2019-21 State capital budget. Hopefully by the end of June we’ll know what we will be receiving in 2019-21.
    - Provost: In our recent Campus Master Plan discussion, the Humanities building had the most ‘red’ stickers as a priority for redevelopment. What does this mean for a future project at the Mosse Humanities site?
    - Darling: We’ve looked at that building objectively – it does actually appear to meet the program needs for the space. Art in particular likes the space. Ultimately, FP&M agrees with the ‘red’ stickers and that the building should be replaced.
    - Brown: Humanities is an example of a project that has numerous enabling projects before we can consider its deconstruction. We are talking to UW Extension and working with the Art Department on their space needs with a potential addition to the Art Lofts. We are actively pursuing a project in the block south of Grainger and have completed a Feasibility study for this block/project for a new Humanities Hall.
    - Darling: Ultimately Humanities needs to sustain itself for upwards of 15 years – it’s not even on our list of priorities at this point.
    - Zachman: What is the projected student enrollment increase on campus?
      - Provost: The 4-year plan is to increase new incoming classes by 250 students per semester (500 headcount increase for the academic year). Amounts to approximately a 15% student headcount increase over a five-year period.
    - Eriksson: I’m impressed with the working relationship with the city – is there any interest in teaming up on private housing at this point?
      - Kinderman: Since Housing started building new buildings, we have been debating the P3 approach. UW Housing’s focus is on providing enough housing for first-year/freshman, and currently 93% of them live on campus.
      - Eriksson: Can we get the private sector to be our advocate – since they will see the benefit of the students past the freshman level presumably?
      - Scholz: This could be a win/win, since freshman will become off-campus residents at some point.
  - Capital Investment Increase
    - Darling: This graphic is inverted. We have 26M GSF in our portfolio that needs attention.
    - Big 10 Peers and Research Peers are spending less than 50% of their budgets on new construction.
    - UW has been focused on new buildings to solve our facility space needs. We need to focus on the existing renovations and reusing existing facilities with greater density and utilization rates.

- Life-cycle cost of a building
      - \$100M building for design, construction, and disposal. Total cost of that building over its 50-year period is \$408M.
      - For every \$100M in new construction we need a means for \$308M in operating budget. Inflation not included. This should be cautionary.
      - Dahlberg: Are we sharing this information with the BOR?
        - i. Provost: Yes, many of these slides are have been shown to them.
    - Cameron: Are we maxing out our insurance plans?
    - Darling: The university is self-insured, we make payments, we are drawing some of this repair money from insurance (Vilas/Chemistry).
    - LaGro: Given the political context, we need to do more innovative thinking on the funding side. Do we need to divide project funding requests out differently?
      - Darling: We used to do it this way until UWSA asked for an integrated planning approach with all project priorities regardless of funding type.
    - LaGro: P3 seems to be the way to go. Campus parking is one example. University of British of Columbia and others have done this before (Ohio State).
- c. Allen Centennial Garden Master Plan Overview (Ben Futa)
  - Presentation (end of slide deck): <https://cpla.fpm.wisc.edu/planning/campus-planning-committee-cpc/>
  - Zachman: Would love to see the Class of 1918 Marsh facility get a similar master plan treatment.
  - Provost: Allen Garden is a great resource and it's great to see what is happening in the garden now and in the future.

#### 4. ANNOUCEMENTS

- a. Next meeting tentatively May 9, 2019 – School of Education Room 159
- b. Brown: Be prepared for monthly, or more, meetings this coming fall as we prepare for the upcoming Capital Budget and Six-Year Capital Development Plan.
- c. Meeting minutes and materials will be added to the Campus Planning & Landscape Architecture website at the following address: [cpla.fpm.wisc.edu/planning/campus-planning-committee-cpc/](https://cpla.fpm.wisc.edu/planning/campus-planning-committee-cpc/)

#### 5. MEETING ADJOURNMENT

- a. Mangelsdorf adjourned the meeting at 10:00am