

AUTHORITY TO INCREASE THE BUDGET OF THE MEAT SCIENCE AND MUSCLE BIOLOGY LABORATORY PROJECT, UW-MADISON

REQUESTED ACTION

Adoption of Resolution E., authorizing a budget increase for the Meat Science and Muscle Biology Laboratory project.

Resolution E. 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 \$7,000,000 (\$2,800,000 Existing General Fund Supported Borrowing, \$2,000,000 Gift Funds and \$2,200,000 Cash) for the Meat Science and Muscle Biology Laboratory project for a revised estimated total cost of \$57,077,000 (\$24,377,000 General Fund Supported Borrowing, \$2,800,000 Existing General Fund Supported Borrowing, \$25,400,000 Gift Funds, and \$4,500,000 Cash).

SUMMARY

This project constructs a new 67,540 GSF building for the Meat Science program at UW-Madison. The new facility will house a meat laboratory, lecture/demonstration suite, BSL-2 laboratory suite, teaching and research laboratories, as well as office and support spaces. It will also demolish the 17,750 GSF Seed Facility.

Presenters

- Alex Roe, Senior Associate Vice President for Capital Planning and Budget
- Laurent Heller, Vice Chancellor for Finance and Administration, UW-Madison

BACKGROUND

Wisconsin's meat industry contributes \$12 billion directly and \$26 billion in total (including indirect contributions) to the state's economy, provides 88,000 rural and urban jobs, and pays \$975 million in state and local taxes. For over 90 years, the UW-Madison Meat Science and Muscle Biology program has conducted scientific research that has improved meat

quality and food safety and trained the next generation of meat and food industry leaders through classroom and Extension-based education.

The existing building, built in 1931 with an addition constructed in 1959, no longer supports high impact research needs. It is unable to effectively educate and prepare the future leaders of the industry, nor does it meet federal or the Department of Agriculture, Trade and Consumer Protection (DATCP) Food Safety and Humane Animal Handling regulations and standards.

The new building will provide state-of-the-art animal handling, processing, demonstration, and research capabilities that do not exist in the current laboratory. Constructing both a USDA inspected Meat and Poultry Processing facility and a Biosafety Level 2 (BSL-2) facility (including food processing capability and a microbiology laboratory) will allow opportunities to partner with state and national meat and food companies to develop new products, as well as test methods for elimination of pathogens under full commercial conditions mimicking meat and poultry processing establishment processes. In addition, the new building will enhance capabilities to educate future leaders through an array of innovative learning approaches including youth through adult instruction.

Unlike a typical commercial meat and poultry processing plant, which focuses on set processes with limited scope (a few products such as turkey, pork or beef), this specialized teaching, research and outreach facility must have the capacity to process many types of meat products and requires flexible equipment to accommodate carcasses of different sizes and weights, making it a unique facility unlike those routinely constructed by the industry.

Construction began in January 2017. During the site excavation, a large amount of below-grade contaminated soil was discovered that was unknown at the time of bidding. These soils had to be removed to certified landfills and new structural soil needed to be installed. In April of 2018, the project budget was increased to cover these unexpected costs.

As construction continued, the highly complex technical design and construction needs of the facility became fully realized. Significant efforts were made during construction to support the original vision-- to construct the most state-of-the art facility of its kind, which subsequently impacted the budget and schedule. To complete the project and achieve the vision, several smaller, yet significant and essential, parts of the project need to be completed to allow the intended operational function and support innovative and high-impact utilization of the facility. Several major elements of the facility have presented particular challenges, including: (1) coordination and design of infrastructure needed to accommodate donated equipment, (2) design and installation of equipment necessary to support harvest and further processing (i.e. hydraulic plant, holding pens, live animal scale), and (3) technical equipment used for chilling carcasses following industry standard practices (animal spray chill system).

Completion of the non-processing spaces - including offices, conference rooms, classrooms, public spaces, a retail store, and individual labs - continues on schedule and is nearly finalized. This budget increase will facilitate design work needed to complete the construction of the processing systems mentioned above, all of which need flexibility to accommodate more types of animals than typical commercial plants because of the many small-scale research projects and number of outreach educational programs that will be conducted within the plant. The processing plants (USDA inspected and BSL-2) are at the core of the research, teaching, and training (outreach) the facility will offer to the industry and students. Without these final elements, the building will not serve its intended purpose, nor allow the program to achieve the original vision.

Budget

	April 2018	October 2019*	February 2020
Construction	\$ 36,636,000		\$ 49,326,500
Design	\$ 3,076,000		\$ 4,743,000
DFDM Mgt.	\$ 1,544,800		\$ 1,975,400
Contingency	\$ 3,760,000		\$ 56,400
Equipment	\$ 3,800,000		\$ 975,700
Other Fees	\$ 660,200		
Admin Aid		\$600,000	
TOTAL	\$ 49,477,000	\$50,077,000	\$ 57,077,000

* Per State Building Commission policy funds can be transferred into the project without formal approval. These funds permitted the design team to finalize the necessary equipment specifications to complete the project.

Previous Action

August 23, 2012
Resolution 10101

Recommended that the Meat Science Laboratory project be submitted to the Department of Administration and the State Building Commission for enumeration as part of the 2013-15 Capital Budget Request at an estimated total project cost of \$42,877,000 (\$22,877,000 General Fund Supported Borrowing and \$20,000,000 Gift Funds).

February 5, 2016
Resolution 10633

Approved the Design Report of the Meat Science Laboratory project and granted authority to: (a) demolish the Seed Building, (b) increase the budget by \$2,900,000 Gift Funds, and (c) construct the project at a total cost of \$45,777,000

(\$22,877,000 General Fund Supported Borrowing and \$22,900,000 Gift Funds).

April 6, 2018
Resolution 11028

Granted authority increase the project budget for the Meat Science and Muscle Biology Laboratory project by \$3,700,000 (\$1,500,000 General Fund Supported Borrowing and \$2,200,000 Cash) for a revised total cost of \$49,477,000 (\$24,377,000 General Fund Supported Borrowing, \$22,900,000 Gifts and \$2,200,000 Cash).

(Note: In October 2019, DFDM was allowed to administratively add \$600,000 to this project.)

Related Policies

- Regent Policy Document 19-8, "[Funding of University Facilities Capital Costs](#)"
- Regent Policy Document 19-16, "[Building Program Planning and Approval](#)"

