

Whitewater University Technology Park Board
Lakefront Conference Room, City Municipal Building
312 W Whitewater Street
Minutes for July 14, 2010

1. Call to Order.

The meeting was called to order at 9:00 am by President Telfer. Members present: Jeff Knight, Kevin Brunner and Richard Telfer, Jim Stewart and John Chenoweth. Absent: Peter Zaballos and Ronald Gayhart. Others present: Jim Caldwell, Steven Jansen (City Intern), Mike Van Den Bosch (WCEDA), Denise Ehlen, Dan Swanson (J.P. Cullen), and Neil Day (J.P. Cullen).

2. Approval of Minutes from June 7, 2010 Meeting.

It was moved by Knight and seconded by Stewart to approve these minutes as read. Approved.

3. Consideration and approval of Innovation Center Change Orders.

It was moved by Chenoweth and seconded by Knight to approve and recommend to the City Council the following Change Orders for the Innovation Center construction project.

Change Order #3 – Deduct direct owner purchases from prime contracts - All prime contract bids were prepared and submitted including all material without tax. An arrangement has been worked out with all prime contractors such that the City will directly purchase all materials so that no sales taxes are incurred (a savings of about \$86,000). While there is some additional administrative staff time required of both City and Construction Management firm (J. P. Cullen and Sons) this is the proper procedure to follow to avoid the sales tax. When the project is completed there will be a follow-up Change Order to reconcile the City's actual direct purchases and the amounts deducted from each prime contract in this Change Order.

Change Order #5 – Geothermal well depth. Affiliated Engineers Inc. (AEI), the HVAC and geothermal system consultants on this project have recommended the wells that will be drilled for the buildings geothermal system be dropped an additional 25 feet per well (there are 60 wells in total in the bore field for the building). An additional thermal conductivity test was conducted after the contracts were let on this project and the additional depth was deemed necessary after this additional testing was completed. If we don't drop these wells 25 feet deeper we could face some problems with adequately heating and cooling the building, especially during the first few years of operation.

Change Order #6 – Bedrock costs for foundations, geothermal systems and site utilities as discussed at the previous meeting of the Board. We encountered bedrock during the excavation of the building foundations which has resulted in some additional cost as well as the redesign of some foundation footings and foundation walls on the project. The initial estimate that was received for potential Change Order of these anticipated costs to remove the encountered bedrock was between \$85,000 and \$100,000.

We have worked very hard, along with the construction project manager from J. P. Cullen to reduce these costs as much as possible. The Change Order now totals \$64,748. However, we are still hopeful that the final Change Order will be somewhat less as we will be incurring costs for remaining work on the site utilities and geothermal system based on a time and material basis.

These Change Orders were recommended for approval by the City Council.

4. MOU for provision of IT services to Innovation Center.

Telfer indicated that this was an outstanding issue that needs to be addressed and that the University would need to work with the Tech Park Board to secure these services from the University in the near future. This will be a future agenda item.

5. Update on Innovation Center construction.

The Board received a brief report from Neil Day, Construction Project Manager from J. P. Cullen and Sons. Structural steel is being erected this week and the second floor concrete is scheduled to be laid next week. Right now the project is two to three days behind schedule due to the heavy rains that occurred in June as well as the rock that was encountered during some of the initial excavation work.

6. Update on road extension.

Brunner informed the Board that bids were received on July 15 for the extension of Starin Road. These bids will be reviewed and hopefully a contract will be awarded by the Common Council at its July 20, 2010 meeting.

7. Update on EDA grants.

Brunner gave a brief on the ongoing issues with the EDA on the administration of the grant. To this point in time the City has not received any reimbursement from the EDA because the EDA is still reviewing documentation of City ownership of all properties that are to be improved. In addition, the City cannot request reimbursement for any of the projects until the Starin Road and Technical Park infrastructure projects have been let by the City Council.

Ehlen briefly reported on the .9 million dollar EDA (State of Ingenuity) Grant received recently by UW-Whitewater. UW-Whitewater is the lead organization for the six-county automotive industry adjustment and flood impacted region of southern Wisconsin and northern Illinois including Racine, Kenosha, Walworth, Rock, Boone and Winnebago counties. Whitewater will be leading a partnership that will work towards building a robust entrepreneurial system to facilitate diversification of the regional economy. Shared strategies will include custom focused innovation, entrepreneurial support, technology development and global engagement.

8. Update on Dark Fiber

Telfer indicated that he would be discussing this matter with Elana Pokot of the UW-Whitewater staff who has been charged with working with the WISnet and its vendor on extending dark fiber to the Tech Park.

9. Furniture and supplies for Innovation Center.

Ehlen distributed a list of equipment that the University has that can be contributed to the Innovation Center. Brunner indicated that the new Innovation Manager, when he or she is hired, will have this as one of their first priorities, to secure the furniture and supplies needed for the opening of the Innovation Center.

10. Future Building Plans.

Telfer reiterated his concern that the Board continue to discuss the need for a second building, i.e. an accelerator building that would be for firms that would outgrow the Whitewater Innovation Center (Telfer reiterated this must be an item to be addressed in the Strategic Plan for the Technology Park that will be developed once an Innovation Manager is on board.)

It was then moved by Brunner and seconded by Stewart to adjourn to closed session at 9:35 am per Wisconsin statute 19.85(1)(e), deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session. Ayes: Brunner, Stewart, Knight, Chenoweth, Telfer. Noes: None. Absent: Gayhart, Zaballos.

During the closed executive session the Innovation Manager search update was discussed as well as current discussions with potential clients interested in leasing space in the Whitewater Innovation Center. In addition, rental rates for the Innovation Center were discussed.

It was then moved by Brunner, seconded by Chenoweth to reconvene to open session. Ayes: Brunner, Stewart, Knight, Chenoweth, Telfer. Noes: None. Absent: Gayhart, Zaballos.

The Board then took a tour of the Innovation Center construction site with Neil Day and Dan Swanson of J. P. Cullen and Sons.

11. Adjournment.

It was then moved by Brunner and seconded by Chenoweth to adjourn the meeting. The meeting adjourned at 10:55 am.

Respectfully Submitted,

Kevin Brunner, Secretary