

March 2, 2000

Assembly Bill 203 (Kreiblich/Risser)

Fire Sprinkler Systems for UW Dormitories and Residence Halls

Summary of Bill --

This would require automatic fire sprinkler systems to be installed in all of the UW system's older dorms that are over 60 feet tall and as part of new construction for any new dorm.

Current cost estimates for retrofitting the dorms is about \$5.8 million, with the biggest single cost being \$2.3 million at UWM (Madison already has been dealing with the problem through separate bonding). The costs would be covered by increasing student fees.

Staff Comments --

One wouldn't want to be accused of putting students at risk.

UWM weighed in. They are fine with this.

Standing Committee Action --

The Assembly Committee on Colleges and Universities voted 10-1 (Underheim no) to recommend passage of AB 203 on May 17, 1999.

Recommended JFC Action --

Passage of AB 203.

Bob



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

March 2, 2000

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Assembly Bill 203: Automatic Fire Sprinkler Systems in University of Wisconsin Dormitories and Residence Halls

Assembly Bill 203 was introduced on March 15, 1999, and referred to the Assembly Committee on Colleges and Universities. On May 17, 1999, that Committee recommended passage of AB 203 on a vote of 10 to 1 and the bill was referred to the Joint Committee on Finance.

BACKGROUND

Under current law, a public building over 60 feet tall that was constructed after July 3, 1974, is required to contain an automatic fire sprinkler system on each floor.

Construction and remodeling projects for residence halls and dormitories on University of Wisconsin (UW) System campuses are typically funded through program revenue bonding supported by residence hall fees charged to students. Annual residence hall fees support other expenditure items including custodial costs, heating and plumbing, maintenance costs, residence assistants and municipal services.

SUMMARY OF BILL

AB 203 would require that by January 1, 2006, an automatic sprinkler system be installed on each floor of all UW System residence halls and dormitories that are over 60 feet tall and for which initial construction was begun prior to the effective date of the bill. In addition, the bill would require that an automatic fire sprinkler system be installed at the time of construction on each floor

of any UW residence hall or dormitory that is constructed on or after the effective date of the bill, regardless of the height of the building.

FISCAL EFFECT

There are currently nine residence halls in the UW System that were built prior to 1974 and are over 60 feet tall. Four of these halls are on the UW-Madison campus while Oshkosh has two and Milwaukee, Eau Claire, and Whitewater each have one. One of the residence halls on the Madison campus, Sellery Hall, has already been fitted with a sprinkler system and bonding for a second, Chadbourne Hall, has already been approved by the Building Commission. In addition, UW-Madison has already scheduled its remaining high rise residence halls to be fitted with sprinkler systems between the summer of 2000 and 2005. Installation of the sprinkler systems in these halls will be done as part of more extensive remodeling and renovation projects.

In its fiscal note to AB 203, the University estimates the total cost of installing sprinkler systems in the remaining eight residence halls at \$7,283,000. This estimate is based on an average cost of \$3.75 per square foot provided by the Division of Facilities Development (DFD) in the Department of Administration. An initial estimate of \$2.00 per square foot was based on the actual cost of the sprinkler system that was installed in Sellery Hall over the summers of 1998 and 1999. However, the cost was revised to \$3.75 when DFD staff determined that the contractor had used specifications other than those in the contract in quoting the lower price. While the contractor was required to meet the specifications in the contract, \$2.00 per square foot would not be representative of the cost to install a similar system in other buildings. In addition, DFD staff indicate that the actual cost will vary depending on the type of system installed and circumstances encountered in completing the work. Additional costs may be incurred due to "larger water services to buildings, ceiling work, pipe enclosures and asbestos abatement." Because the residence halls must be empty at the time the sprinklers are installed, the work would be done during the summer. Since the projects could be completed any time over the next six years, higher costs may be incurred due to inflation.

According to the University's fiscal note, annual residence hall fees charged to students at all of the campuses except Madison would increase by amounts ranging from \$22 to \$100 as a result of the bill. As is the case with other residence hall remodeling and renovation projects, funding would be obtained through program revenue supported borrowing. According to UW System staff, the estimated increase in residence hall fees for each campus was calculated by amortizing the estimated cost to install the sprinkler systems over a 20-year period and allocating the cost among all students living in residence halls. UW System staff indicate that no fee increase is shown for UW-Madison because the installation of the sprinkler systems has already been planned as part of larger remodeling projects. The following table indicates, for each of the campuses except Madison, the estimated total cost to install the sprinkler systems, the annual residence hall fee for 1999-00 and the estimated fee increase that would result from the bill.

<u>Campus</u>	<u>Total Cost of Sprinkler</u>	<u>1999-00 Residence Hall Fee*</u>	<u>Estimated Increase</u>	<u>Estimated New Fee</u>
Eau Claire	\$890,000	\$1,985	\$31	\$2,016
Milwaukee	2,300,000	1,990	100	2,090
Oshkosh	1,800,000	1,850	50-75	1,900-1,925
Whitewater	<u>893,000</u>	1,810	22	1,832
Total	\$5,883,000			

*For double room.

Actual residence hall fee increases would be based on a detailed estimate of the cost for each residence hall that would be provided by DFD prior to commencement of the project. However, UW System staff indicate that if the provisions of AB 203 are enacted, some fee increases could be implemented as early as the Fall, 2001 semester in order to begin accumulating reserves to pay a portion of the costs in cash. The projects could be enumerated individually in the 2001-03 or 2003-05 building programs along with bonding for this purpose, or as part of larger remodeling projects in these facilities.

Prepared by: Merry Larsen