

Capital Project for Repair McComas Exterior Wall Structure, Phase III

JOINT FINANCE AND AUDIT COMMITTEE AND BUILDINGS AND GROUNDS COMMITTEE

February 28, 2011

McComas Hall was constructed in 1998 as a combined use recreational sports, student health, and student counseling services building. After several years of operation, the building developed ongoing leaks and problems with door and window operations. Structural evaluation and facilities condition studies identified problems with structural supports and connections of precast panels that support the exterior walls. Specifically, the studies identified multiple wide spread failures in masonry flashings, sealants, mortar joints, and material connections resulting in progressive and extreme moisture penetration (leaks), masonry veneer failure, and damage to interior building components, finishes, and equipment.

In June 2007, the Board of Visitors approved a \$1.5 million capital project to initiate phase one of repairs to the building followed by a \$4.5 million capital authorization for a phase two of repairs in November 2008. As repair work on McComas Hall has progressed, the intensity of the repairs has been more extensive than originally expected, including unforeseen foundation repairs and steel corrosion repairs. To ensure the building's entire envelope is repaired, a third phase effort is required. The estimated costs of phase three are \$3.1 million. The estimated project timeline is 16 months with a target completion date of July, 2012.

McComas Hall houses three auxiliary enterprise units, and the project funding plan calls for 100 percent nongeneral fund support. As with all self-supporting projects, the university has developed a financing plan to provide assurance regarding the financial feasibility of the project. This funding plan calls for cash from the auxiliary reserves. With the scope, schedule, cost, and funding plan established, the university is ready to move forward with the project.

Under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the budget, size, scope, debt issuances, and funding of nongeneral fund capital outlay projects. This request is for approval to move forward with the Repair McComas Exterior Wall Structure, Phase III project.

**RESOLUTION ON CAPITAL PROJECT FOR
REPAIR McCOMAS EXTERIOR WALL STRUCTURE, PHASE III**

WHEREAS, McComas Hall was constructed in 1998 as a combined use recreational sports, student health, and student counseling services building; and,

WHEREAS, after several years of operation, the building developed ongoing leaks and problems with door and window operations; and,

WHEREAS, the Board of Visitors approved a \$1.5 million capital project to initiate a phase one of repairs in June 2007 followed by a \$4.5 million capital authorization for a phase two of repairs in November 2008; and,

WHEREAS, a phase three project is required to fully resolve the building envelope conditions; and,

WHEREAS, the estimated costs of the phase three work is \$3.1 million; and,

WHEREAS, the university has developed a financing plan that can successfully support the \$3.1 million project costs; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has authority to approve the budget, size, scope, debt issuances, and overall funding of nongeneral funded major capital outlay projects; and,

WHEREAS, the university may address minor cost variances provided sufficient funds are available to support the full project costs;

NOW, THEREFORE BE IT RESOLVED, that the university be authorized to move forward with the Repair McComas Exterior Wall Structure, Phase III project with an amount not to exceed the \$3.1 million and to fund the project with auxiliary reserve cash.

RECOMMENDATION:

That the above resolution authorizing Virginia Tech to complete the Repair McComas Exterior Wall Structure, Phase III project be approved.

March 28, 2011