

Capital Project for Construction of Eastern Shore AREC Equipment Storage Building

JOINT FINANCE AND AUDIT COMMITTEE AND BUILDINGS AND GROUNDS COMMITTEE

October 6, 2016

In March 2016, the Board of Visitors approved a \$46,000 planning project for the Eastern Shore AREC Equipment Storage Building project. The AREC, working with the college and the university, developed full bid documents for the necessary facility to house and secure its equipment. The project's scope includes an approximately 7,500 gross square foot, single story structure located on site and adjacent to the AREC's other facilities. The exterior shell of the facility is a pre-engineered metal building standing on a concrete slab with insulation and heating.

Construction bids for the project were received October 4, 2016 with the low bid resulting in a total project cost of \$535,000, inclusive of the \$46,000 planning authorization.

As with all self-supporting projects, the university, working conjointly with the College of Agriculture and Life Sciences, has developed a financing plan to support the entire costs of the \$535,000 project. The funding plan calls for overhead resources from the College, which are available and sufficient for this project. With the scope, schedule, cost, and funding plan established, the university is ready to move forward with construction of 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, and funding of nongeneral fund capital outlay projects. This request is for a \$489,000 supplement to the existing \$46,000 design authorization to complete the Eastern Shore AREC Equipment Storage Building project.

**RESOLUTION ON CAPITAL PROJECT FOR
CONSTRUCTION OF EASTERN SHORE AREC EQUIPMENT STORAGE BUILDING**

WHEREAS, the Board of Visitors approved a \$46,000 planning project for the Eastern Shore AREC Equipment Storage Building in March 2016; and,

WHEREAS, construction bids for the project were received October 4, 2016 with the low bid resulting in a total project cost of \$535,000; and,

WHEREAS, the project scope includes an approximately 7,500 gross square foot, single story, pre-engineered metal building on a concrete slab with insulation and heating; and,

WHEREAS, the university, working conjointly with the College of Agriculture and Life Sciences, has developed a 100 percent nongeneral fund resource plan to support the entire 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, and funding of nongeneral funded major capital outlay projects;

NOW, THEREFORE, BE IT RESOLVED, that the university be authorized to move forward with a \$489,000 supplement to complete the Eastern Shore AREC Equipment Storage Building project and a not-to-exceed total project cost of \$535,000.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to complete the Eastern Shore AREC Equipment Storage Building be approved.

November 7, 2016