

## Capital Budget Request

### Renovate Davidson Hall Supplement

#### Overview

Agency	Virginia Polytechnic Institute and State University (208)
Project Code	17662
Project Type	Improvements-Other
Biennium	2014-2016
Budget Round	Amended Bill
Request Origin	Previously Approved
Building Name	
Project Location	Roanoke Area
Facility/Campus	Blacksburg Main Campus
Source of Request	Agency Request
Building Function	Higher Education Academic - 100% E&G
Infrastructure Element	Classroom / Laboratory

Contains significant technology costs? No

Contains significant energy costs? No

#### Agency Narrative

##### Agency Description

This request is for a supplement for the Davidson Hall Improvements, Phase I project, project number 208-17662, authorized for construction in Chapter 890, item C-85.B. The total project budget is \$31,118,739 as approved by the Six-Pack on March 5, 2011. This request is for \$884,000 of supplement funding to cover unexpected construction costs during the project. The amount is under the 105 percent threshold for supplement funding at an amount of approximately 2.8 percent of the authorized budget.

##### Justification

The Davidson Hall renovation project has experienced cost overruns due to unforeseen site conditions and unanticipated delays during construction. The project experienced early setbacks due to extensive rock removal required for foundation construction and EPA Area of Contamination (AOC) rules for this site revealed soils contamination requiring extensive excavation and special handling of spoils material. The impact of this was nearly \$588,000 in rock and soil excavation change orders and \$142,000 of direct expense for soils disposal. In response to these unanticipated expenses, the university made a conscientious effort to minimize further change orders and find cost savings to recover the project financially without negatively impacting the program.

However, the time delay associated with this early set back could not be recovered resulting in increased contractor cost for winter protection, scaffolding, temperature control, and increased general conditions. Direct university expenses including an increase in Hokie Stone material, inspection and project management costs have also impacted the project budget. The construction manager, Barton Malow, has issued change order request #9 totaling \$829,402 for expenses incurred to complete the project and the university has \$54,598 of project management costs for the extended time for a total of \$884,000 of excess costs over budget. The project has insufficient funds available to pay for this final obligation and associated expenses. Therefore we are seeking a funding supplement as provided for in the pool project funding process to make the project whole.

Sincere efforts were made by the university to recover after early financial setbacks; however, further issues with stone delays and winter works have resulted in cost overages that could not be avoided.

The university has worked with the Department of General Service to justify the unexpected and unforeseen costs. As a result of these efforts, the Department of General Services issued a Revised Funding Report on June 28, 2014 approving an increase of \$669,680. The university appreciates the adjustment support and requests an additional \$214,320 to fully fund the entire costs of the \$884,000 overrun.

##### Funding Plan:

The program for the Davidson Hall project is 100 percent Educational and General instruction. Thus, the supplemental funding plan calls for \$884,000 of General Fund support.

##### Alternatives Considered

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 Costing Methodology  
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**Agency Funding Request**

Phase	Year	Fund	Subject	Requested Amount
Cost Overrun	2015	0100 - General Fund	2322 - Construction, Buildings	\$884,000
Total				\$884,000

**Project Costs**

Cost Type	Total Project Costs	Requested Funding	DGS Rec
Acquisition Cost	\$0	\$0	\$0
Building & Built-in Equipment	\$884,000	\$884,000	\$0
Sitework & Utility Construction	\$0	\$0	\$0
Construction Cost Total	\$884,000	\$884,000	\$0
Design & related Services from Other Costs tab	\$0	\$0	\$0
Inspection & Testing Services from Other Costs tab	\$0	\$0	\$0
Project Management & Other Costs from Other Costs tab	\$0	\$0	\$0
Furnishings & Movable Equipment	\$0	\$0	\$0
Construction Contingency	\$0	\$0	\$0
Total Project Cost	\$884,000	\$884,000	\$0

**Capacity**

Cost Type	Unit of Measure	Units	Cost Per Unit
Acquisition Cost		0	\$0
Construction Cost		0	\$0
Total Project Cost		0	\$0

**Other Costs**

Cost Type	Total Project Costs	Requested Funding	DGS Rec
Design & Related Service Items			
A/E Basic Services			
A/E Reimbursables			
Specialty Consultants (Food Service, Acoustics, etc.)			
CM Design Phase Services			
Subsurface Investigations (Geotech, Soil Borings)			
Land Survey			
Archeological Survey			
Hazmat Survey & Design			
Value Engineering Services			
Cost Estimating Services			
Other Design & Related Services			
Design & Related Services Total			
Inspection & Testing Service Items			
Project Inspection Services (inhouse or consultant)			
Project Testing Services (conc., steel, roofing, etc.)			
Inspection & Testing Services Total			
Project Management & Other Cost Items			

Project Management (inhouse or consultant)			
Work By Owner			
BCOM Services			
Advertisements			
Printing & Reproduction			
Moving & Relocation Expenses			
Data & Voice Communications			
Signage			
Demolition			
Hazardous Material Abatement			
Utility Connection Fees			
Utility Relocations			
Commissioning			
Miscellaneous Other Costs			
Project Management & Other Costs Total			

**Operating and Maintenance Costs (Agency)**

Cost Type	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
GF Dollars	\$0	\$0	\$0	\$0	\$0	\$0
NGF Dollars	\$0	\$0	\$0	\$0	\$0	\$0
GF Positions	0.00	0.00	0.00	0.00	0.00	0.00
NGF Positions	0.00	0.00	0.00	0.00	0.00	0.00
GF Transfer	\$0	\$0	\$0	\$0	\$0	\$0
GF Revenue	\$0	\$0	\$0	\$0	\$0	\$0
Layoffs	0	0	0	0	0	0

Planned start date of new O&M costs (if different than the beginning of the fiscal year):---

**Supporting Documents**

File Name	File Size	Uploaded By	Upload Date	Comment
<a href="#">208-17662 Revised Chapter 890 Funding Report 6.26.2014.pdf</a>	72,578	Rob Mann	6/30/2014	Davidson Hall - Six Pack/BCOM Funding Report 6.26.2014
<a href="#">RevHECO-8 Davidson Hall 10-25-12.pdf</a>	1,777,686	Rob Mann	6/30/2014	Davidson Hall 17662 - Revised HECO-8

**Workflow History**

User Name	Claimed	Submitted	Step Name
Rob Mann	06/30/2014 10:09 AM	06/30/2014 10:09 AM	Enter Capital Budget Request
Rob Mann	06/30/2014 10:10 AM	06/30/2014 10:13 AM	Continue Drafting
Rob Mann	06/30/2014 10:19 AM	06/30/2014 10:22 AM	Agency Review Step 1
Rob Mann	06/30/2014 11:21 AM	06/30/2014 11:26 AM	Ready for DPB Submission
Bob Broyden	06/30/2014 02:22 PM	06/30/2014 02:28 PM	Ready for DPB Submission
Bob Broyden	06/30/2014 03:56 PM	06/30/2014 03:56 PM	Ready for DPB Submission
			DPB Review