

Capital Project for an Early Site Package for Rector Field House Improvements

JOINT FINANCE AND AUDIT COMMITTEE AND BUILDINGS AND GROUNDS COMMITTEE

July 28, 2016

The Board of Visitors approved a \$3.5 million blanket planning project in November 2015 for Athletic facilities improvements for baseball, softball, track, field throwing events, nutrition, and tennis. Under this blanket planning authorization, improvements for each program are being planned independently. At such time as Athletics is ready to move forward with construction of a specific component, the university will bring forward a supplemental request for funding with a firm scope, cost, and schedule for a specific component.

Planning work for improvements and expansions of Rector Field House to meet the practice and training needs of the softball program, track program, and field throwing events program is underway. Planning for the overall building improvements are in the preliminary design phase and designs for the grading and utilities are complete. The project scope includes approximately 44,130 gross square feet of building additions to Rector Field House and improvements to the existing facility including a new roof, restrooms, fire suppression, and mechanical systems. To meet the needs and expectations of the athletes and coaches, the new and improved space must be ready for occupancy by fall 2018. The university has developed a strategy to meet the desired schedule by issuing an early site package that would begin in fall 2016 followed afterwards by a building construction package.

In accordance with the strategy, Athletics and the university are requesting a \$2.4 million authorization to move forward with an early site package for Rector Field House improvements. The package will provide the necessary site work including grading and utilities to support construction of the building additions and the new mechanical systems for the existing facility. A subsequent request for the remainder of the project construction and costs may be submitted in November 2016 as the building designs are completed.

The estimated total project costs to improve and expand Rector Field House for the softball program, track program, and field throwing events are \$18.6 million, inclusive of \$2.6 million of planning work, \$2.4 million for the early site package, and \$13.6 million for the remaining building construction package.

As with all self-supporting projects, the university has developed a financing plan to support the \$2.4 million early site package for the Rector Field House project. This funding plan calls for the use of internal cash resources derived from Athletics auxiliary revenues. With the scope, schedule, cost, and funding plan established, the university is ready to move forward with the early site package for Rector Field House Improvements.

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 overall funding of nongeneral fund capital outlay projects. This request is for approval of a \$2.4 million authorization for an early site package for improvements to Rector Field House. Subsequent requests for the remainder of construction funding may be submitted after designs for the building component are complete.

**RESOLUTION ON CAPITAL PROJECT FOR AN
EARLY SITE PACKAGE FOR RECTOR FIELD HOUSE IMPROVEMENTS**

WHEREAS, an Athletics master plan has identified improvements for the softball program, track program, and field throwing events program as top priorities; and,

WHEREAS, plans and specifications are under development to expand and improve Rector Field House to meet the needs and expectations of players and coaches; and,

WHEREAS, the university has developed a phased implementation strategy to deliver the project with an early site package followed by a building construction package; and,

WHEREAS, the designs of the early site package are complete and include the necessary grading and utilities to support an expansion of Rector Field House and new mechanical systems for the existing facility; and,

WHEREAS, the costs of the early site package are \$2.4 million and the university has worked conjointly with Athletics to develop a 100 percent nongeneral fund resource plan to support the costs; and,

WHEREAS, Athletics and the university are ready to move forward with the early site package and will request a subsequent authorization in the future for a building construction package to complete the project; 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 issuance, and overall funding of nongeneral funded major capital outlay projects; and,

NOW, THEREFORE BE IT RESOLVED, that the university be authorized to move forward with a \$2.4 million early site package for Rector Field House Improvements.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to move forward with an early site package for improvements to Rector Field House be approved.

August 29, 2016