

MINUTES

BOARD OF VISITORS EXECUTIVE COMMITTEE MEETING

May 9, 2023

The Executive Committee of Board of Visitors of Virginia Polytechnic Institute and State University held a special meeting in open session on Tuesday, May 9, 2023, for the purpose of considering a capital project for repairs to Slusher Hall. The all-virtual meeting was livestreamed for the public on YouTube. There was no public comment period. A quorum was present on the videoconference.

Executive Committee Present

Edward H. Baine (Vice Rector)
Shelley Butler Barlow
Letitia A. Long (Rector)
Sharon Brickhouse Martin
Melissa Byrne Nelson
L. Chris Petersen

Absent

Other Board Members Present

Sandy Davis

Constituent Representatives Present

Holli Drewry, Administrative and Professional Faculty Representative

Also present were the following: President Timothy Sands, Kim O'Rourke (Secretary to the Board), Bob Broyden, Cyril Clarke, Al Cooper, Corey Earles, Kay Heidbreder, Tim Hodge, Frances Keene, Chris Kiwus, Ken Miller, Mark Owczarski, Lisa Royal, Amy Sebring, Brennan Shepard, and Tracy Vosburgh.

During the Executive Committee meeting, there were 27 concurrent viewers on YouTube and a total of 21 views*.

In her opening comments, Rector Long stated the need for today's meeting is to consider a capital project for renovations to Slusher Hall. The board has been aware since fall of 2022 that repairs to Slusher Hall would be needed. President Sands commented on the challenging project timeline noting that every day will count. Ms. Sebring stated that Mr. Broyden has been working with Drs. Keene and Kiwus and their teams to come up with a plan and called on Mr. Broyden to explain.

Mr. Bob Broyden, Associate Vice President for Campus Planning and Capital Financing gave a brief presentation on the project. He explained that 168 rooms (with 336 beds) in Slusher Tower were damaged as a result of a burst sprinkler pipe last fall. They must be repaired in order to be kept in service. The work required is straightforward; it is not a complex project. Through the emergency procurement process, a contract has been negotiated with a vendor who will guarantee they can complete the work by August 11 for occupancy, provided they can enter the building by May 14 to begin work. If the Executive Committee approves the proposed resolution, the contract would be executed this afternoon. The project budget of up to \$7.5 million includes \$5.6 million of actual construction costs plus soft costs, which include a contingency of 24 percent. The contingency would be utilized for any change orders that may arise and may not be fully expended. The source of funds includes about \$4.5 million in insurance proceeds and a \$3 million draw on auxiliary reserves which would be repaid over time. There difference between the insurance proceeds and construction cost is due to the fact that the insurance covers damage within rooms, and there will be additional costs for work within the hallways. The repairs include replacing the PVC sprinklers with recessed, metal sprinklers. The project must be completed over the summer as the rooms generate net revenue of about \$1.7 million per year and are needed to be ready for occupancy at the beginning of fall semester 2023. Without this critical cash flow, the auxiliary would have an annual shortfall of \$1.7 million.

In response to a question about the existence of a plan if the completion date is not met, Mr. Broyden explained that the contract provides for 16-hour (two shifts) work days. If necessary, the contractor is prepared to go to three shifts utilizing contingency funds.

Ms. Barlow, chair of the Buildings and Grounds Committee, stated that the project made a lot of sense, particularly since replacement beds are not expected to be on line before 2028.

President Sands and Provost Clarke responded to a question about enrollment. The university is in good shape. Virginia Tech received 48,000 applications for admission and offers extended were closely calibrated with the number of beds available on campus (7,311). Based on acceptances received, we are approximately 100 over target currently, and the typical "melt" rate experienced over the summer should bring us to the enrollment target.

The following motion was made by Dr. Nelson, seconded by Mr. Baine, and approved unanimously through a roll-call vote.

Approval of a Capital Project for Slusher Hall Repairs

That the resolution authorizing Virginia Tech to complete the Slusher Hall repairs project with a total project budget not to exceed \$7.5 million be approved. (Copy of the presentation and resolution filed with the permanent minutes and marked Attachment A.)

Rector Long thanked Amy Sebring and her team and expressed the Executive Committee's appreciation for their work to create a viable plan to address the needed repairs.

The meeting was adjourned at 11:45 a.m.

Note: The bylaws of the Virginia Tech Board of Visitors delegate authority to the board's Executive Committee to act on behalf of the board in between regular board meetings. The actions of the Executive Committee must be ratified by the full board at its next meeting to remain in effect. The next meeting of the full Board of Visitors will be June 6, 2023.

*Explanation of YouTube statistics: The views are calculated based on the number of people who click on the video while it is livestreamed. The peak concurrent statistic represents active connections at the same time. A viewer who is waiting for the video to begin before it actually "goes live" does not appear to count as a viewer but does show as an active connection for the concurrent statistic.

Letitia Long, Rector

Kim O'Rourke, Secretary