

Capital Budget Request

Supplement Improve Kentland Facilities

Overview

Agency	Virginia Cooperative Extension and Agricultural Experiment Station (229)
Project Code	17830
Project Type	New Construction
Biennium	2018-2020
Budget Round	Amended Bill
Request Origin	Previously Approved
Project Location	Roanoke Area
Facility/Campus	Other
Source of Request	Agency Request
Infrastructure Element	Laboratory / Classroom
Contains significant technology costs? No	
Contains significant energy costs? No	
Project will be used by other than a state or local governmental entity? No	

Agency Narrative

Agency Description

This project was included in the Detail Planning Pool appropriated in item C-39.05 in Chapter 806 (2013) and the Construction Pool appropriated in item C-46.15 in Chapter 665 (2015), project number 208-17830.

At the conclusion of the preliminary design phase, in accordance with pool funding process, the Six-Year Capital Outlay Plan Advisory Committee authorized a total project budget of \$9,363,000 on November 12, 2015. The budget is entirely funded with General Fund resources.

The project has been bid three times (2016, 2017, and 2018), each effort with extensive value engineering and review by the Department of General Services, and each bid has been approximately 30 percent over budget. This project request is in accordance with category three, noted within the capital budget request instructions, as a funding supplement to a previously approved capital project.

The Cooperative Extension/Agricultural Experiment Station operations do not generate nongeneral fund resources sufficient to fund the bid overruns. A nearly 30 percent scope reduction is necessary to control costs to the existing budget. The resulting project of a scope modification this extreme will not to be consistent with the programmatic intent of the original appropriation.

This request is for a \$3.1 million General Fund supplement for the Improve Kentland Facilities project, project number 229-17830 to fully fund the project and complete the project's authorized scope under its legislative intent. This supplement will increase the total appropriation to \$12.463 million from \$9.363 million.

Justification

Market pricing for the original authorized scope is \$12.463 million. The Cooperative Extension/Agricultural Experiment Station (Agency 229) does not generate nongeneral funds in a sufficient or available amount to fund the bid overruns. Without supplement funding, the scope reduction necessary to control costs to the current \$9.363 million budget will render the resulting project inconsistent with its appropriation.

Because the project is critical to meeting Cooperative Extension/Agricultural Experiment Station obligations, in consultation with the Department of General Services, the University is prepared to temporarily infuse \$3.1 million of nongeneral fund resources for costs in excess of the amount of pool funding authorized by the Six-Year Capital Outlay Advisory Committee on November 12, 2015. This infusion will allow the university to move forward with the construction contract bid.

In parallel, the University is requesting a supplemental allocation of General Fund resources through the budget process to permanently fund the \$3.1 million of costs above the General Fund resources authorized for the project.

Funding Plan:

The program for the Improve Kentland Facilities project is 100 percent educational and general in the Cooperative Extension/Agricultural Experiment Station. The funding plan calls for the university to temporary fund any costs beyond the currently authorized budget with nongeneral fund resources. The permanent funding plan for any necessary supplement funding plan calls for General Fund support and would be used to replace and reimburse the university's temporary funding.

Alternatives Considered

Costing Methodology

The project costs after two hard bid efforts in 2016 and 2017 were more than ten percent over budget. A third rebid effort was conducted in June 2018 using a modified bid package and a more aggressive outreach effort. The single bid received August 8, 2018 is thirty percent above the amount of General Fund pool funding authorized by the Six-Year Capital Outlay Advisory Committee on November 12, 2015.

Agency Funding Request

Phase	Year	Fund	Subsubject	Requested Amount
Supplemental Funding	2019	01000 - General Fund	2322 - Construction, Buildings	\$3,100,000
Total				\$3,100,000

Project Costs

Cost Type	Requested Funding	DGS Rec
Acquisition Cost		
Building & Built-in Equipment	\$3,100,000	
Sitework & Utility Construction		
Construction Cost Total	\$3,100,000	
DESIGN & RELATED SERVICE ITEMS		
Design & Related Services Total		
INSPECTION & TESTING SERVICE ITEMS		
Inspection & Testing Services Total		
PROJECT MANAGEMENT & OTHER COST ITEMS		
Project Management & Other Costs Total		
Furnishings & Movable Equipment		
Construction Contingency		
TOTAL PROJECT COST	\$3,100,000	

Capacity

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

Operating and Maintenance Costs (Agency)

Cost Type	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
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
229-17830 Kentland Improvements Ch 665 Funding Report 11.12.2015.pdf	83,870	Rob Mann	10/9/2018	Six-PAC Committee Approved Funding Report 11.12.2015
Certification Letter from VT (229-Kentland).doc	103,424	Rob Mann	10/9/2018	Draft Certification Letter from VT to Commonwealth of Virginia Officials 10.5.2018

Workflow History

User Name	Claimed	Submitted	Step Name	Submit Action
Jennifer Hundley	09/24/2018 03:21 PM	09/24/2018 03:21 PM	Enter Capital Budget Request	Continue Working
Jennifer Hundley	09/24/2018 03:21 PM	09/24/2018 03:23 PM	Continue Drafting	Continue Working
Rob Mann	10/05/2018 09:20 AM	10/05/2018 09:28 AM	Continue Drafting	Submit for Agency Review
Rob Mann	10/05/2018 09:53 AM	10/05/2018 09:53 AM	Agency Review Step 1	Continue Review
Rob Mann	10/05/2018 09:53 AM	10/05/2018 09:53 AM	Agency Review Step 1	Return for Further Data Entry
Jennifer Hundley	10/05/2018 09:56 AM	10/05/2018 10:12 AM	Continue Drafting	Continue Working
Jennifer Hundley	10/08/2018 09:34 AM	10/08/2018 09:42 AM	Continue Drafting	Continue Working
Rob Mann	10/08/2018 04:46 PM	10/08/2018 04:47 PM	Continue Drafting	Continue Working
Rob Mann	10/09/2018 11:52 AM	10/09/2018 12:16 PM	Continue Drafting	Submit for Agency Review
Rob Mann	10/09/2018 04:33 PM	10/09/2018 04:34 PM	Agency Review Step 1	Ready for DPB Bulk Submit
Rob Mann	10/09/2018 04:34 PM	10/09/2018 04:34 PM	Ready for DPB Submission	Submit to DPB
Anne Smith	10/18/2018 12:22 PM	10/18/2018 12:27 PM	DPB Review	Continue Review
Anne Smith	10/23/2018 10:40 AM	10/23/2018 10:41 AM	DPB Review	Continue Review
Anne Smith	10/23/2018 03:05 PM	10/23/2018 03:08 PM	DPB Review	Continue Review
Anne Smith	10/23/2018 03:15 PM	10/23/2018 03:16 PM	DPB Review	Continue Review
			DPB Review	