



BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION, INFORMATION OR DISCUSSION

TOPIC: Salisbury University: Increase Authorization for Renovation of Noland Property

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: March 25, 2010

SUMMARY: Salisbury University requests an increase in authorization from \$1.8 million to \$2.93 million for the cost to renovate the Noland property. The Board of Regents approved the initial cost to renovate the property as part of the FY 2010 System Funded Construction Program.

The property was acquired for the relocation of the Physical Plant operation from the main campus to the east side of campus. This move is necessary for successful construction of a new residence hall/retail complex on the property known as Allenwood Shopping Center. The University has already acquired the Noland property and has developed plans to retrofit the building to meet the basic needs for office and functional work space for Physical Plant.

The change in price is based on unforeseen costs for electrical, water, HVAC and extensive fire rated walls needed to ensure the building meets all applicable codes. Also, because of the mixed-use occupancy (offices, storage, and industrial trade shops), additional building code requirements must be met. The original estimate was based on the footprint and capacity of the building, but at the time it was placed in the FY 2010 System Funded Construction Program, a comprehensive code review had not been performed.

ALTERNATIVE(S): Salisbury University would have to identify and/or purchase other space to house those functions requiring the special fire codes.

FISCAL IMPACT: University funds that have been previously set aside will be used to pay for this renovation.

CHANCELLOR'S RECOMMENDATION: That the Finance Committee recommend that the Board of Regents approve for Salisbury University, an increased authorization totaling \$2.93 million for renovation of the Noland property located on South Division St., Salisbury Maryland.

COMMITTEE RECOMMENDATION: Recommend approval.

DATE: 3/25/10

BOARD ACTION:

DATE:

SUBMITTED BY: Joseph F. Vivona (301) 445-1923
