



**TOPIC:** University of Maryland, College Park: Shuttle UM Relocation Authorization Increase

**COMMITTEE:** Finance

**DATE OF COMMITTEE MEETING:** September 13, 2012

**SUMMARY:** The University of Maryland, College Park (the University) requests Board of Regents (BOR) approval to increase the authorization of this project by \$1,072,000, from \$6,250,000 to \$7,322,000. This is a post-facto approval for work mostly completed.

This project relocates the Shuttle UM facility from East Campus to parking lot 4i to make way for the redevelopment of East Campus. The Board of Regents authorized this project on October 22, 2010, to be funded from the University's Plant Funds in the amount of \$6,250,000.

Once the project was bid, prices exceeded the budgeted amount and in May 2011 the University authorized an additional \$487,000 of Plant Funds to cover the overage. Board of Regents approval for this increase was not requested because it was under the threshold for such actions in policy ("10 percent or \$500,000, whichever is lower"). Approval for this amount should have been obtained from the USM Office.

Construction began in June 2011. From December 2011 through April 2012 three unforeseen issues were identified that required additional funds. The university negotiated costs to address the following three issues with the Construction Manager (CM), totaling \$585,000:

1. Unsuitable soil. Portions of the site were discovered to contain fill material that is unsuitable for construction. This fill material must be removed and backfilled with appropriate soil.
2. Inadequate drainage. Existing Paint Branch Drive in the area of the new entrance to the Shuttle UM Facility does not drain adequately, which would create an unsafe condition for the buses as it ices in the winter. Paint Branch Drive must be modified to address this, with new storm drain inlets and repaving to allow for better drainage.
3. Lack of concrete basin. Due to an oversight during design, a concrete basin to collect waste water when the buses are washed was not included in the construction documents. This basin is required to meet environmental regulations and prevent bus washing detergent from entering the storm drain system.

In order to keep the project on schedule, the CM was asked to proceed with addressing the soil issue in spring 2012 and the other issues in summer/early fall 2012. Unfortunately, the total cost of all work completed beyond the original budget authorization exceeded the \$500,000 or 10% rule, and therefore required the approval of the Board of Regents.

**ALTERNATIVE(S)**: There are no alternatives for work already completed. Work remaining to be completed is valued at approximately \$120,000 and could be deferred for subsequent University action.

**FISCAL IMPACT**: The \$1,072,000 increase will be funded from institutional Plant Funds. There will be no impact to student fees.

**CHANCELLOR'S RECOMMENDATION**: That the Finance Committee recommend that the Board of Regents authorize an increase of \$1,072,000 for the Shuttle UM Facility at the University of Maryland, College Park for a total project authorization of \$7,322,000.

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COMMITTEE RECOMMENDATION: Recommend approval. DATE: 9/13/2012

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BOARD ACTION: DATE:

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

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