:00am

II. New Business – Action Item

a. Expenditure Authorization Request

Vice President Carole Post presented the updated expenditure authorization request for the Greek Village HVAC Project for approval by the Finance Committee. The cost of the project has increased from $2.65M to $3.93M, an increase of $1.28M. This project is a comprehensive assessment and construction remediation to the Greek Houses 1-14 associated with the proper operations of air conditioning and ventilation in the buildings. The original request, approved by the Finance Committee in November, was an estimate based upon preliminary, but not complete, project design. The complete project design resulted in a higher cost for the project. In addition, the original estimate did not contemplate the price escalations currently occurring nationally and globally for supplies and resources. Therefore, the requested budget increase is due to the complexity of work based on actual design and unprecedented price escalations during the 6-month window particularly around HVAC equipment, insulation, costs of labor, fabricators, steel service centers and distributors, and trucking/delivery costs. Adding to the urgency of this meeting and not being able to wait until the next Finance Committee meeting for May 24, is the timing of this project. This project has an 80-day delivery and work schedule targeted for May 10 to July 30 to complete by August 1. Waiting for the May 24 meeting would compress the schedule to 67 days. Normally a construction project can absorb 10-12 days. But we felt 10-12 days on an 80-day schedule was so tight, and the risk of missing the August 1 deadline was catastrophic to the residents and our Housing operation.

Ms. Post presented a line-by-line summary of the cost/budget increases that account for the $1.28M increase as well as information on the current state of the construction industry as to inflationary impacts on supplies/materials (these are unprecedented increases).

A motion was made to approve the updated expenditure request as presented. The motion was seconded and approved by all Committee members present.

V. Adjournment

Having no further business, the Finance Committee meeting was adjourned at 9:15am.