Shepherd University Board of Governors
Meeting of January 13, 2005
Agenda Item No. 5

IKENBERRY HALL ADDITION PROJECT

The low construction bid for the Ikenberry Hall Addition was $851,400. This amount exceeded the architect's construction estimate by about $350,000. The University staff are reviewing carefully the cause of this unusually large variance, and will take steps to reduce the risk of such problems recurring.

It is recommended that the project budget be increased to permit the construction to proceed. The additional costs will be paid from existing capital reserves. The McMurran Hall renovations originally scheduled to commence in the spring and to be paid from fiscal year 2005 capital funds would be delayed until June and would be paid primarily from fiscal year 2006 capital revenues.

The following resolution is recommended for adoption by the Board:

> **RESOLVED**, That the Shepherd University Board of Governors approves the increase of the project budget for the Ikenberry Hall Addition and approves a construction budget of $900,000.