

## Capital Project Stage Gate I: Valley Library Roof Replacement

### BACKGROUND

The Valley Library Roof Replacement project is included in the Ten-Year Capital Forecast and the university has completed the schematic design phase. The following information is provided for consideration by the Finance & Administration Committee to advance this project to the next phase of design development pursuant to the [Approval of Capital Projects policy](#). The design development phase includes completion of project drawings and early work such as selective demolition and site preparation.

### PROJECT SUMMARY

 Valley Library	<b>Gross square feet/ affected area (roof)</b>	<b>56,000 SF</b>
	<b>Total estimated budget</b>	<b>\$6,000,000</b>
	Capital Improvement and Renewal (CIR) funds	\$6,000,000
	<b>Deferred maintenance reduction</b>	<b>\$5,960,000</b>
	<b>Estimated project completion</b>	<b>Fall 2021 or Summer 2022</b>
	<b>Location</b>	<b>SW Waldo Place</b>

This project replaces the 24-year old 56,000 square foot (SF) roof on the Valley Library that is showing wear and is experiencing leaking in places as it approaches its 25-year expected life-span. The project includes the increase of insulation to meet modern code requirements as well as replacing curbs, scuppers, roof hatches, flashing, coping, parapets, fall protection, downspouts, vents, roof drains and other roof systems where required by condition or code update.

During this project, the structural capacity of the roof will be assessed for the ability to support third-party cell tower placement and screening. The third-party cell tower installation is not part of this project. All cost to strengthen the structure, install the tower, screening and any related cost will be the responsibility of the third-party.

The project will also help prepare for a solar power installation. To utilize federal financial incentives, such as tax credits and depreciation, OSU plans to partner with [Oregon Clean Power Cooperative](#) (OCPC) to finance the solar project. The solar array is not yet part of this project. Given the nature of the funding, staff are studying whether to incorporate the solar array into this project or pursue it as a stand-alone project. A decision will be reached before presenting the project to the Board for Stage Gate II approval.

**ADVANCING OSU'S STRATEGIC GOALS**

<p><b>Goal 1 Preeminence in Research, Scholarship and Innovation</b></p>	<p><b>Goal 2 Transformative Education That is Accessible to All Learners</b></p>	<p><b>Goal 3 Significant and Visible Impact in Oregon and Beyond</b></p>	<p><b>Goal 4 Culture of Belonging, Collaboration and Innovation</b></p>
<p>The Valley Library, part of OSU Libraries, advances and supports the university's scholarship and research programs with traditional and innovative collections and services, including the Emerging Technologies &amp; Services Department.</p>	<p>The Valley Library offers a variety of individual and collaborative study spaces designed to meet the needs of students and faculty. The Valley Library is consistently voted by students as <i>Best Place to Study on Campus</i>.</p>	<p>OSU Libraries has nearly 2 million volumes and adds approximately 23,000 monographs annually as well as 39,000 current serials. Recognizing the desire of students and faculty to have 24x7 access to information, OSU Libraries is rapidly shifting from a print collection to a collection with both print and digital options.</p>	<p>The Valley Library Teaching and Engagement Department inspires enthusiasm for information, learning and research. Their mission is to advocate for and with our users for accessible information and connect our community members with information, resources, and relationships in the library and beyond.</p>

**IDENTIFICATION OF RISKS AND MITIGATION STRATEGIES**

The following risks have been identified for the project. Given these risks, the owner and design contingencies have been set at 10% and 5%, respectively. As the construction will be through a firm fixed-price contract, the construction contingency is at the bidder's discretion and will be within the price offered.

<p><b>Risks</b></p>	<p><b>Consequences</b></p>	<p><b>Mitigation Strategy</b></p>
<p><i>Undiscovered conditions</i></p>	<p>A renovation carries an inherent risk of the actual construction or conditions being different from archived documents or even explorative inspection and testing. Unexpected conditions could present a risk to final cost, schedule, and/or the quality and scope of the project.</p>	<p>The contingencies noted above will be in place to cover unexpected costs.</p>
<p><i>Labor and materials availability</i></p>	<p>Availability of resources presents risk to cost, schedule, and possible scope, especially given potential impacts of the COVID-19 pandemic.</p>	<p>This risk is mitigated by the contingencies stated above through contractual language that allows COVID-related schedule changes without incurring additional costs.</p>

<i>Higher than expected construction market escalation</i>	This risk is based on national/regional economics more than labor availability (above), but these risks are similar and interconnected. Cost estimates and bids will include cost implications related to the COVID-19 pandemic.	This risk is mitigated by an annual escalation factor 3.5% to midpoint of construction.
<i>Project delay</i>	Funding, permitting, logistical, contractual, or any reason for substantial delays in construction present not only schedule vulnerability, but also subject the project to further escalation in materials and labor costs. Stretching the construction period would likely increase the cost for the contractor to manage the project and pay for general conditions.	This risk is mitigated by having a team in place that considers critical activities, appropriate timelines, and measures to avoid and accommodate delays.
<i>COVID-19 effects</i>	Construction delays due to possible disruption to supply chain, construction inefficiencies from worker availability, and physical distancing requirements.	OSU is working with contractors on physical distancing practices during construction. OSU project managers, designers, and the contractor will make extra efforts to mitigate supply chain disruptions by being flexible with alternate materials and schedule.

**TOTAL COST**

The estimated costs for the Valley Library Roof Replacement project are summarized in the following table.

<b>Forecasted Total Cost Valley Library Roof Replacement Project</b>	
ITEM	COST
<b>Total Project Cost</b>	<b>\$6,000,000</b>
Capital Improvement and Renewal (CIR) Funds	\$6,000,000
<b>Total Cost Avoidance</b>	<b>(\$5,960,000)</b>
Removal of Deferred Maintenance	(\$5,960,000)

**RECOMMENDATION**

Staff recommend that the Finance & Administration Committee approve advancing the Valley Library Roof Replacement project to the next phase of design development.