Interdisciplinary Substance Use And Brain Injury (ISUBI) Addition to Pete and Nancy Domenici Hall

UNM REGENTS
Project Location

1101 Yale Blvd NE, Albuquerque, NM 87106

UNM Health Sciences Center ISUBI (Interdisciplinary Substance Use and Brain Injury) Facility Addition to Pete and Nancy Domenici Hall

University of New Mexico HSC Campus
January 20, 2021
UNM HSC ISUBI Addition to Pete and Nancy Domenici Hall

Project Description

PROJECT SNAPSHOT

- Square Footage: ~15,700 GSF
- Project Cost: $12,555,750 (previously $10,000,000)
- Construction Schedule: 11 months

PROJECT OUTLINE

- Addresses two interrelated NM health priorities
  - Brain Injury, Substance Use Disorders

- Discovery of new treatment mechanisms, and testing to ensure efficacy in real-world settings
  - State-of-the-art laboratories, and clinical research testing spaces

- Home for HSC-main campus collaborations
  - Grand Challenges, CoBRE Centers and other interdisciplinary initiatives
Requesting Regent approval of total construction project cost increase greater than 10% for the previously approved Institute for Substance Use and Brain Injury (ISUBI) capital project. This request is being made as required by Regents Policy Manual 7.12 section 3.

We have considered these alternatives:

- Reduce the size (square feet) and/or scope of the program for the project
  - This project has been partially funded by a competitive grant from NIH – we must deliver the project size and scope NIH funded

- Delay the project for six months in hopes prices would abate
  - No guarantees on price reductions and prices could increase
  - Research faculty have proposed several other grants based on the ability to use this facility; the impact to our research mission is significant
OPTIONS AND CONSIDERATIONS

We are returning the ISUBI project to you, requesting approval to increase the total project cost from $10,000,000 to $12,555,750

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## Increased Project Cost Breakdown

<table>
<thead>
<tr>
<th>Expenditure</th>
<th>Original</th>
<th>Revised</th>
<th>Variance</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Conditions</td>
<td>$3,515,862</td>
<td>$4,124,036</td>
<td>$608,174</td>
<td>17.3%</td>
</tr>
<tr>
<td>Mechanical/Plumbing</td>
<td>$2,732,700</td>
<td>$3,500,240</td>
<td>$767,540</td>
<td>28.1%</td>
</tr>
<tr>
<td>Electrical</td>
<td>$755,000</td>
<td>$1,219,780</td>
<td>$464,780</td>
<td>61.6%</td>
</tr>
<tr>
<td>Special Systems (Voice, Data, ect)</td>
<td>$188,503</td>
<td>$205,000</td>
<td>$16,497</td>
<td>8.8%</td>
</tr>
<tr>
<td>Built-in Equipment</td>
<td>$204,955</td>
<td>$209,650</td>
<td>$4,695</td>
<td>2.3%</td>
</tr>
<tr>
<td>Site Development</td>
<td>$375,400</td>
<td>$467,500</td>
<td>$92,100</td>
<td>24.5%</td>
</tr>
<tr>
<td><strong>Total Construction Cost</strong></td>
<td><strong>$7,772,420</strong></td>
<td><strong>$9,726,206</strong></td>
<td><strong>$1,953,786</strong></td>
<td><strong>25.1%</strong></td>
</tr>
<tr>
<td>Contingency</td>
<td>$300,000</td>
<td>$700,508</td>
<td>$400,508</td>
<td></td>
</tr>
<tr>
<td>Architectural/ Engineering</td>
<td>$858,000</td>
<td>$858,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Project Administration</td>
<td>$30,000</td>
<td>$30,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Surveys</td>
<td>$110,000</td>
<td>$110,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Movable Equipment</td>
<td>$200,000</td>
<td>$214,992</td>
<td>$14,992</td>
<td></td>
</tr>
<tr>
<td>Gross Receipts Tax</td>
<td>$729,580</td>
<td>$916,044</td>
<td>$186,464</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$10,000,000</strong></td>
<td><strong>$12,555,750</strong></td>
<td><strong>$2,555,750</strong></td>
<td><strong>25.6%</strong></td>
</tr>
</tbody>
</table>
Increased Project Costs

Mechanical/Plumbing costs increased by $768k
- Materials price increases in all areas – the primary driver in this category is steel which increased 75% in March, 2021; and labor costs in the Albuquerque market where craft labor is in short supply due to other large construction projects

General Conditions increased by $608k
- Largest increase in site work, and the equipment to prepare the building site (such as renting bulldozers, dump trucks and cranes; skilled operating labor for the equipment)

Electrical Cost increased by $465k
- Material prices for copper and aluminum wiring, conduit, and drastically increased labor costs

Construction Contingency costs increased by $400k
- Increased contingency from 3% to 5% - needed for volatility in construction environment

Gross Receipts Tax increased by $186k
- Taxes increase incurred by subcontractors due to higher costs
**UNM HSC ISUBI Addition to Pete and Nancy Domenici Hall**

**Schedule & Budget**

<table>
<thead>
<tr>
<th>SCHEDULE</th>
<th>BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Construction Start:</strong> October 2021</td>
<td><strong>NIH Funded</strong> $4,000,000</td>
</tr>
<tr>
<td><strong>Duration:</strong> 11 Months</td>
<td><strong>HSC Capital Funds</strong> $8,555,750</td>
</tr>
<tr>
<td><strong>Completion:</strong> May 2022</td>
<td><strong>Total Project Budget:</strong> $12,555,750</td>
</tr>
</tbody>
</table>

*View into Medical Research Exam Room*
Questions?