

ACTION ITEM #2

WSU, Delegated Authority – Capital Project Threshold (Elson Floyd)

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: WSU, Delegated Authority - Capital Project Threshold

PROPOSED: That the Board of Regents approve the following changes to the Regents' delegation of authority to the President or his designee:

The capital construction transaction threshold amount for required approval by the Board of Regents will be increased as follows:

For projects that have an estimated total cost (that is, the ultimate overall costs of the entire project) of five (5) million dollars or less and which are funded solely by state appropriated capital sources, the President or designee is delegated the authority to approve and execute contracts relating to the selection and appointment of architects, engineers, planners, and other professional consultants; to approve and adopt conceptual, schematic and preliminary (design development) plans; to approve working drawings; to call for bids; to establish project budgets; to advertise and receive bids; to award and execute construction contracts for new buildings, additions, alterations, improvement, and repairs; to reject any or all bids; and to rebid projects where determined to be appropriate. For projects funded in whole or in part by sources other than state appropriated capital sources, the existing \$1.0 million threshold continues to apply.

SUBMITTED BY: Elson S. Floyd, President

**SUPPORTING
INFORMATION:**

The State's minor capital preservation program provides state funding to help address WSU's refurbishment needs, including projects for minor capital infrastructure (roofs, HVAC, etc.), health, safety, code requirements, security, environmental, network cabling and electronics within a facility.

Under the current approach, the University establishes an individual project for each specific deficiency. While in certain unique situations there may be a benefit to this approach, there are occasions where combining similar work into one project would be more efficient and effective (e.g. combining two roofing projects for bidding purposes).

Similarly, there are situations where two different program areas may plan to renovate their areas within the same timeframe. In certain cases, combining similar renovation projects into one could generate costs savings.

If two or more smaller projects are combined into a larger one, it's still important to move as expeditiously as possible to meet program needs or deadlines. Efficiencies can be gained by increasing the delegated authority from the current threshold of \$1.0 million to \$5.0 million, for projects funded solely by state appropriated capital sources.

For projects funded in whole or in part by other sources, the existing \$1.0 million threshold continues to apply. In addition, management will continue to include all projects \$1.0 million and above on the Major Capital Projects Report.

Board of Regents

WSU, Delegated Authority – Capital Project Threshold

Resolution #131122-466

WHEREAS, the Board of Regents of Washington State University by virtue of RCW 28B.10.528 has authority to delegate by resolution to the President of the University, or designee, powers and duties vested in or imposed upon the Board by law and to enable the President, or designee to act on behalf of the Board of Regents in matters relating to the administration and governance of the University.

RESOLVED: That the Board of Regents approves the following changes to the Regents' delegation of authority to the President or his designee:

The capital construction transaction threshold amount for required approval by the Board of Regents will be increased as follows:

For projects that have an estimated total cost (that is, the ultimate overall costs of the entire project) of five (5) million dollars or less and which are funded solely by state appropriated capital sources, the President or designee is delegated the authority to approve and execute contracts relating to the selection and appointment of architects, engineers, planners, and other professional consultants; to approve and adopt conceptual, schematic and preliminary (design development) plans; to approve working drawings; to call for bids; to establish project budgets; to advertise and receive bids; to award and execute construction contracts for new buildings, additions, alterations, improvement, and repairs; to reject any or all bids; and to rebid projects where determined to be appropriate. For projects funded in whole or in part by sources other than state appropriated capital sources, the existing \$1.0 million threshold continues to apply.

Dated this 22nd day of November, 2013.

Chair, Board of Regents

Secretary, Board of Regents