

Contact: John Nash

PROPOSED BOARD POLICY MANUAL REVISIONS

Action Requested: Approve proposed Board *Policy Manual* revisions to “Chapter 2.3 Property and Facilities” to improve clarity.

Executive Summary:

Section 3. Capital Improvement Projects – Definitions, Duties and Responsibilities

A. Definition of Capital Improvement Project, New Construction and Renovation

- iv. ~~Equipment Projects are projects, where the renovation of a space is required in order to accommodate new equipment or furniture. The equipment and furniture cost shall be included in the project budget. Equipment Projects with equipment and furniture costs over 50% of the construction cost, the equipment and furniture cost~~

Capital improvement projects that have equipment, furniture and/or artwork costs, which exceed 50% of the construction cost, shall be known as "Equipment Projects." In Equipment Projects, equipment, furniture and artwork costs are not required to be part of the project budget, when applying Policy Manual approval thresholds. ~~to the project.~~

- ~~Equipment and furniture are~~ Equipment Projects have items not heavily embedded into the facility. Examples include Computed Tomography (CT), Catherization Lab (CathLab), Linear Accelerator (LinAc), MRIs, PET scanners, Angiography Systems, microscopes, athletic scoreboards, audiovisual equipment, tables, chairs, desks, ~~and~~ systems furniture ~~and~~ artwork.

Section 7. Design Professional and Alternative Delivery Method Selections, Agreements and Amendments

E. Design Consultant or Construction Manager Services Amendments

- ii. Projects budgets more than \$1,000,000, amendments shall be approved by the institution unless a single amendment exceeds 5 percent or \$100,000, ~~whichever is less [with a minimum of \$50,000]~~ and/or the sum of the cumulative amendments exceeds 20 percent of the original agreement. If the amount of the amendment(s) exceeds this threshold, the amendment(s) shall be approved by the Board Office, but may be referred for Board action at the discretion of the Board Office.

Section 14. Construction Contracts and Change Orders

B. Reports and Awarding of Contracts

- iii. For projects with approved budgets between \$500,000 and \$1,000,000, the construction contract shall be awarded by the institution unless there are unusual circumstances, other than a minor irregularity, in which case the award shall be referred to the Board Office for action. ~~(When the contract is awarded by the institution, a copy of the bid tab and Notice of Award shall be provided to the Board Office.)~~

C. Construction Contract Change Orders

- iv. For projects budgets of \$1,000,000 or more, change orders shall be approved by the institution, unless a single change order exceeds 5% of the contract amount or \$100,000, ~~whichever is less [with a minimum of \$50,000]~~ and/or the sum of the cumulative change orders exceeds 20 percent of the original construction contract amount. If the amount of the change order(s) exceeds this threshold, the change order shall be approved by the Board Office. Information on all approved change orders for projects of \$1,000,000 or more shall be reported to the Board as needed.