

ITEMS FOR DISCUSSION AND ACTION FISCAL, FACILITIES AND AUDIT

November 14, 2019

ACTION: **Approve Actions for Natatorium Renovation Projects for Wayne State College**

Approve Waiving the Requirements of Board Policy 8062 Capital Construction; Program Statements, and Board Policy 8063 Capital Construction; Construction Documents, for the Natatorium Renovation Projects

The specific requirement of Board Policy 8062 to be waived is: *“A Program Statement shall be prepared to support the College’s funding request for the design and construction of a project that is estimated to cost more than the limit established by the State Building Division for the requirement of a Program Statement (currently seven hundred five thousand dollars [\$705,000] until January 1, 2022), excluding funds provided by the Task Force for Building Renewal for deferred repairs, energy conservation, ADA, or fire-life safety projects.”* Link to Policy 8062: https://www.nscs.edu/resources/e30d:pvdudu7-1bb/files/76596396z56027595/fn/Policy_8062.pdf

The specific requirements of Board Policy 8063 to be waived are: *“Program Statement... The architect/engineers will give a presentation to the Board... When all issues/concerns have been addressed to the reviewers’ satisfaction, the Board will give approval to the Program Statement and the college may notify the architect/engineer to begin the next phase of construction design development,”* and *“Design Development... The identical process of receipt, distribution of documents for comments, resolution of issues, and approval by the Board that is followed for the Program Statement shall be followed for this phase.”* Link to Policy 8063: https://www.nscs.edu/resources/e30d:pvdudu7-1bb/files/76596395zcf0b242f/fn/Policy_8063.pdf

The Natatorium Pool Infill/HVAC Renovation (re-purpose for indoor athlete and recreational activities) was approved by the Board in November of 2018 for a total of \$575,000 in Sports Facility Cash Funds (SFCF), with \$275,000 to be received in October of 2020, and another \$300,000 in October of 2021. The current estimate for this project is \$695,000. Recently, donors came forward with offers to assist in funding this project, as well as a second project to renovate existing restrooms and create several offices in the Natatorium. The current estimate for the Restrooms/Offices Renovation project is \$700,000. Because both projects are estimated very near to the current program statement threshold of \$705,000 in Board Policy 8062, and since the two projects now need to be constructed simultaneously to meet schedule requirements, the Board could choose to enforce the requirements of Board Policies 8062 and 8063.

Wayne State College and the System Office contend that program statement and design development document requirements are undue financial and schedule burdens for these two simple renovation projects. Based on donor requirements and the need to offer students the opportunity to utilize the renovated spaces at the start of the next academic year, construction needs to begin as soon as possible, and be complete by August of 2020.

The two Natatorium renovation projects, when combined, have a total estimated cost of \$1,395,000. The proposed total funding is \$275,000 SFCF, \$700,000 in Foundation/Donations, and \$420,000 Contingency Maintenance funds.

Due to the expedited schedule for construction, the Natatorium renovation projects cannot utilize the \$300,000 in SFCF approved for October of 2021. There is a separate Board item to approve using the 2021 SFCF funds for the Wayne State Recreation Center Indoor Track Resurfacing project.

Also in a separate Board item, Wayne State College proposes utilizing a total of \$420,000 in Contingency Maintenance funds for the Natatorium renovation projects; \$210,000 for the Pool Infill/HVAC renovation, and \$210,000 for Restroom/Offices renovation.

The System Office and Wayne State College recommend approval of waiving the requirements of Board Policies 8062 and 8063 for the Wayne State Natatorium Renovation projects.

Authorize Chancellor to Sign Contracts for Natatorium Renovation Projects

Wayne State requests authorization for the Chancellor to sign construction contracts of over \$100,000 for the following upcoming projects:

Natatorium Renovation for Pool Infill/HVAC (Estimated at \$695,000)

Natatorium Renovation for Restrooms/Offices (Estimated at \$700,000)

These projects are being funded through Contingency Maintenance, Sports Facility Cash Funds, and Private Donations. It is anticipated that the two projects will be combined into one bid package, resulting in perhaps a single contract of over \$1 million dollars.

Authorization for the Chancellor to sign construction contracts - or a single contract - in amounts not to exceed available funding for these projects will assure they move forward in a timely manner.

The System Office and Wayne State College recommend approval of the Actions for Natatorium Renovation Projects for Wayne State College.