

MARSHALL UNIVERSITY BOARD OF GOVERNORS

Policy No. FA-11

Capital Project Management

1 GENERAL

- 1.1 *Scope: Establishes the policies and guidelines governing and controlling the planning, programming and management of capital projects at Marshall University.*
- 1.2 Authority: This rule is promulgated under the authority granted in WV Code Section 18B-1-6, 18B-1B-4, and 18B-10-8.
- 1.3 Passage Date: June 28, 2006
- 1.4 Effective Date: June 28, 2006
- 1.5 Controlling over: Marshall University
- 1.6 History: Senate Bill 603 (18B-1B-4a(12)) provides that Marshall University has the authority to adopt its own guidelines concerning extensive capital project management.

2 PURPOSE

- 2.1 The purpose of this policy is to establish guidelines, delegate appropriate authority and assign responsibility for the governance, prioritization, planning and management of capital projects at Marshall University (the University).
- 2.2 These activities shall include but not be limited to:
 - a) developing and updating campus and campus capital project development plans based on previously approved master plans;
 - b) authorizing, planning, programming, financing, acquiring, constructing and/or renovating capital facilities and equipment;
 - c) demolition of existing facilities;
 - d) acquisition or disposal of real property.

This policy shall also govern lease or lease/purchase arrangements.

3 RESPONSIBILITIES OF THE GOVERNING BOARD AND UNIVERSITY

- 3.1 Campus Development Plan and Revisions Thereto
 - 3.1.1 At the discretion of the University president, the University shall develop and submit to the Marshall University Board of Governors (MUBOG) for approval a campus capital project development plan (“development plan”) covering a planning period of not less than ten years. A “development plan” may be required by the President for each of the University’s campuses along with an overall institutional plan that deals with the interrelationship between the campuses, the sharing of facilities to prevent

unnecessary duplication, and any specialization of facilities that may be desirable on an individual campus.

- 3.1.2 A campus “development plan” shall as a minimum address the following considerations:
- a) Relationship of the plan to the university’s compact, its institutional master plan, its mission and its strategic plan.
 - b) A statement of major planning assumptions upon which the plan is based;
 - c) Identification and delineation of anticipated areas of real property acquisition and/or disposition needed to fulfill the institution’s mission;
 - d) Identification of major new facilities and potential building sites;
 - e) Renovation, addition to and/or demolition of existing buildings or facilities;
 - f) Site improvements including landscaping, parking, vehicular and pedestrian circulation and access;
 - g) Telecommunications and/or utility and infrastructure improvements; and
 - h) General assessment of deferred maintenance and life safety issues, hazardous materials identification and management, occupational health improvements, and ADA requirements.
- 3.1.3 The campus “development plan” should include:
- a) The prioritization of capital projects, as recommended by the University president and approved by the MUBOG;
 - b) Estimates of the timing, phasing and projected costs associated with individual projects; and
 - c) A statement of the impact of the plan upon the local community and the input afforded local and regional government entities and the public with respect to its development.
- 3.1.4 The campus “development plan” endorsed by the University president and approved by the MUBOG shall be a guideline for capital budget requests, decisions with respect to new building construction, additions, renovation, maintenance, landscaping, parking, vehicular and pedestrian circulation, demolition of campus facilities, acquisition or disposal of real property, etc.
- 3.1.5 If adopted pursuant to §3.1.1 of this policy, a campus development plan shall be updated at least every ten years. All revisions and updates shall be resubmitted to the MUBOG for approval.
- 3.1.6 The University shall report to the MUBOG on its progress in implementing an approved campus development plan.
- 3.2 Capital Plan
- 3.2.1 Five Year Capital Implementation Plan
- 3.2.1.1 The University may, at the President’s discretion, submit to the MUBOG for approval a five year capital implementation plan identifying the projects it intends to undertake during any five year period. This plan shall be based on the long term development objectives and recommendations in its approved campus development plan, if any.

- 3.2.1.2 Once the five year capital implementation plan is approved, it may be used for institutional funding requests to the Legislature.
- 3.3 Revenue Bonds and Other Financial Instruments
 - 3.3.1 The MUBOG may issue revenue bonds and enter into other financial instruments permitted by law which pledge special revenue fees for debt retirement from the institution under its jurisdiction to fund capital improvements, acquire real property and to lease/purchase capital equipment.
 - 3.3.2 The University, with the approval of the MUBOG, may partner with private developers when there is an advantage to the University. The partnership may include the design, the construction, the financing and the operations/management of the facilities or any combination which best meets the needs of the university as approved by the Board.
- 3.4 Governing Board's Process for Reviewing and Approving Capital Projects in Excess of \$750,000
 - 3.4.1 Consistent with this policy, the University has developed a process for the review, approval and prioritization of capital projects that ensures that such projects are based on and are consistent with the objectives of its approved campus development plan and the institution's long-range strategic plan. This process includes the preparation of a detailed Program Statement as outlined in Appendix A.
 - 3.4.2 No capital project will be taken to the MUBOG for approval until a Program Statement has been prepared and approved by the president of the University.
 - 3.4.2.1 Services of outside professional design firms are not to be employed without the consent of the President and the Board of Governors. This restriction applies to all units directly or affiliated with Marshall University and is irrespective of the source of funds.
 - 3.4.3 The University shall provide to the Joint Committee on Government and Finance a copy of any contract or agreement for real property exceeding \$750,000, and shall upon request make available to said committee a summary of the terms of the contract or agreement, including the name of the owner of the property and the agent involved in the sale.
- 3.5 Capital Project Initiation and Approval for Projects up to \$750,000
 - 3.5.1 Capital improvement projects with an estimated total cost of \$750,000 or less shall be managed by the University. A project which, in the aggregate, exceeds \$750,000 is subject to formal MUBOG approval and may not be broken into component parts of less than \$750,000 to avoid such approval.
- 3.6 Lease or Lease/Purchase of Capital Facilities and Equipment
 - 3.6.1 Advance approval by the MUBOG is required whenever the institution desires to lease or lease/purchase capital facilities or equipment.
 - 3.6.2 A Program Statement as outlined in Appendix A must be completed and presented to the University president and the MUBOG for advanced approval prior to formalizing any lease or lease/purchase where aggregate lease payments are in excess of \$1 million over the lease term.

- 3.6.3 Annually, the University shall provide to the Joint Committee on Government and Finance a copy of any contract for the lease-purchase of real property (WV State Code §5-6-4a).
- 3.7 Acquisition, Disposal and Transfer of Real Property and Facilities, Granting Easements and Rights-of-Way
 - 3.7.1 The acquisition or disposal of real property and facilities by the University through purchase, sale or exchange, or the granting of permanent easements or rights-of-way, shall require advance approval by the University president and the MUBOG.
 - 3.7.2 Acquisition or disposal of real property and facilities shall be treated as a project and shall be subject to the requirements of this policy.
 - 3.7.3 If so authorized by the MUBOG, utility or other license agreements which are revocable under reasonable terms and conditions, may be approved by the president of the institution.

4 EFFICIENT USE OF FACILITIES AND SERVICES

- 4.1 The University and its respective campuses are encouraged and expected to make the most efficient use of facilities under their control, thereby minimizing the need to construct additional facilities.
- 4.2 The University is also encouraged to enter into inter-institutional and inter-agency agreements for joint use of facilities and services to gain economies of scale and to foster more efficient utilization of resources.

APPENDIX A

CAPITAL PROJECTS PROGRAM STATEMENT

Prior to the process to employ or commission design services for a project, a Program Statement will be prepared, submitted and approved by the President and the Board of Governors to justify any proposed renovation, new facility and/or new addition to a facility in excess of \$1,000,000. This program statement must be documented by outlining the specific need or needs for the expansion or addition. This statement should incorporate the following elements:

- A. **Rationale and Case for Project** – Provide an explicit description of the program rationale by outlining the specific needs for the program requested. This should include, but not be limited to:
 1. Background or history of the existing program and the rationale focus on why the expansion is necessary.
 2. Alignment (fit) of the Proposed Project with the University’s Strategic Vision and Priorities.
 3. Existing facilities compared to what expansion of physical facilities is needed.
 4. Description of benefits from program expansion as it relates to the students, faculty, staff, a specific college, Marshall University, the community and the State of West Virginia. This should include any economic impact as well as growth benefits.
 5. Planning Assumptions.
 6. Describe the public value that will be created.

- B. **Overview of Need** – Give a detailed explanation based on data from comparable colleges or universities to support your requested expansion. This includes but is not limited to how existing facilities are a disadvantage to Marshall University students compared to others, if any, how expansion will correct any disadvantages to Marshall University students, if any, and if approval is granted for what timeframe the requested facilities will meet the needs of the students, faculty and the University.

- C. **Space Utilization and Scheduling** – Provide detailed information on how this facility will be utilized, including but not limited to net assignable square feet versus gross square feet, and utilization of assignable square footage. Give detailed percentage of space utilization of each area of the requested new facility. For instance, if classrooms are involved, scheduling utilization should be based on a five day, 14 hour-per-day schedule and presented as the percentage of utilization, giving emphasis on how the utilization will allow more access by students and faculty to needed programs.

- D. **Building Design Concepts and Elements to be Included** – Provide a detailed description of building amenities as follows:
 1. Number of classrooms, offices, teaching labs, etc. along with estimated occupants for each space.
 2. Special needs requirements, such as but not limited to lab space, research space, medical clinics, studies, sport requirements, etc.
 3. Other building highlights necessary for a successful project or expansion.

E. Elements of Technology Interface – Information Technology requirements, including but not limited to voice and data systems, networking, interface, digital video conferencing, number of access points, work stations, etc.

F. Project Schedule – Provide a timeline schedule, including but not limited to the following items:

1. Phase I program statement
2. Program statement review
3. Program approval
4. Expression of Interest (Architect selection process)
5. Architect contract process
6. Program analysis
7. Schematic Design Phase
8. Marshall University's review and MUBOG approval
9. Design Development Phase and approval
10. Construction Document Phase and approvals
11. State Fire Marshal's review
12. Bidding Phase
13. Award of construction contract
14. Construction Contract Administration Phase
15. Building commissioning, testing and move in
16. Building opening schedule

Note: At any of the above phases from program submission to competitive bid phase, the project may be delayed or halted based on the decision of the President and/or the MUBOG.

G. Project Site – Give detailed description of intended site for the new facility. This description should outline, but not be limited to the following items:

1. Exact location with boundaries clearly established.
2. Property acquisition projected by cost.
3. Building access requirements for pedestrians as well as vehicles.
4. Define adjacent land availability for project sequencing and future expansions.
5. Location of all utilities for project needs and any relocation requirements.

H. Project Financing* – Provide detailed funding sources for this project that are aligned with estimated costs based on gross square footage for the project.

1. Proposed Budget – Give detailed list of costs for project, including but not limited to:
 - a. Capital Budget
 - i. Property acquisition
 - ii. Parking
 - iii. Building costs
 - iv. Design fees
 - v. Total

* Include possible revenue sources to fund the Capital Costs and the annual Operating Costs.

- b. Facility Operating Budget
 - i. Staffing
 - ii. Utilities
 - iii. Other
 - iv. Total

I. Architectural Design

- 1. Code Requirements
 - a. Accessibility and Disability Requirements
 - b. Corridors
 - c. Lobby and Stairways
 - d. Fire Suppression Systems
 - e. Fireproofing
 - f. Smoke Evacuation Systems
 - g. Rated Assemblies
 - h. Rating Classification of Building
 - i. Use and Description
 - j. Space Utilization
- 2. Building Exterior Design
 - a. Adjacencies and Proximities
 - b. Aesthetics
 - c. Parking and Site Lighting
 - d. Safety and Security
 - e. Receiving Area
 - f. Site Utilities (water, gas, electric, telephone, data, drainage, storm sanitary)
 - g. Construction Material
 - h. Foundation Type and Super Structure
 - i. Roof System
 - j. Exterior Columns and Doors
 - k. Window Systems
 - l. Landscaping
 - m. Signage
 - n. Site Work
- 3. Interior Design
 - a. Ceilings
 - b. Walls
 - c. Columns
 - d. Doors, Hardware and Keying
 - e. Offices
 - f. Instructional Facilities
 - g. Fixed Equipment (casework, shelving, locker-room, etc.)
 - h. Restrooms
 - i. Signage
 - j. Storage
 - k. Support Systems
 - l. Workrooms

- m. Elevators
 - n. Floor Systems and Finishes
 - o. Janitorial Requirements
4. Mechanical Design
 - a. Building Systems, Cooling, Heating and Ventilation
 - b. Energy Conservation
 - c. Domestic Cold Water
 - d. Domestic Hot Water
 - e. Sanitary Piping
 - f. Storm Piping
 - g. HVAC Control System (D.D.C.)
 - h. Other System Requirements
 - i. Mechanical Space Requirements
 - j. Elevator Requirements
 5. Electrical Design
 - a. Service Size
 - b. Cabling, Electric
 - c. Information Technology and Networking (Telephone/Data Cabling)
 - d. Digital Audio and Video Requirements
 - e. Grounding and Lightning Arrester Systems
 - f. Emergency Generator
 - g. Lighting and Lighting Controls
 - h. Keyless Entry Requirements
 - i. Energy Conservation
 - j. Electrical Space Requirement
 6. Specialty Requirements
 - a. Coat Racks, Bathroom and other Accessories
 - b. Clocks and Synchronizations
 - c. Computers and Server Requirements
 - d. Laboratories
 - e. Laboratory Systems and Piping Requirements
 - f. Raised Floor System
 - g. Hazardous Waste Requirement
 - h. Production Studios
 - i. Audiometric Diagnostic Booths
 - j. X-ray Rooms
 - k. Imaging Facilities
 - l. Display Areas
 - m. Food Service and Dining
 - n. Fitness or Exercise Areas
 - o. Medical Use Requirements
 - p. Athletic Use Requirements

- J. Furniture and Equipment
 - 1. Fixed or Built-in Furniture and Equipment
 - 2. Moveable Furniture and Equipment
 - 3. End-User Provided Furniture and Equipment

- K. Project Construction
 - 1. Architectural Fees Estimate
 - 2. Construction Cost Estimate
 - 3. Code Review Fees
 - 4. Property Acquisition and/or Site Survey
 - 5. Opening and Operational Cost Estimate
 - 6. Personnel

Further, all new facilities must be in keeping with the guidelines established in the most recent Ten-Year Campus Master Plan. In order to properly plan the expansion of Marshall University, any deviations from the latest version of the Master Plan must be authorized by the University president and the MUBOG.

In order to foster collegiality, each project must create environments which encourage interaction and discourse among students, faculty and staff. This potential should be recognized in the development of internal and exterior environments as well as be in line with the architecture and history of our campus.

Once Items A through H of the Program Statement have been reviewed by the President, the President may choose one of the following actions:

- Proceed to soliciting MUBOG approval to continue the project under the “Programming and Design Guidelines” for Capital Projects managed by the University’s Facilities Planning and Management Office.
- Proceed to soliciting MUBOG approval to continue the project utilizing a private developer; specifying the design/build/financing/ownership/operations of the project and the role of the Facilities Planning and Management Office.
- Take the project under further review.
- Remove the project from further consideration.

Note: Services of outside professional design firms are not to be employed without consent of the President and the Board of Governors.