

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority

Pursuant to the Standing Orders of the Board of Regents delegation of authority, and to the delegation of authority from the President of the University to the Senior Vice President in Administrative Order No. 1, to take action for projects or contracts that exceed \$1,000,000 in value or cost but are less than \$5,000,000, the Administration may approve and execute all instruments.

REPORT OF ACTIONS TAKEN UNDER GENERAL DELEGATED AUTHORITY – CAPITAL PROJECT BUDGETS

1. Friday Harbor Labs Energy Conservation Project No. 203897
Action Reported: Select Engineer

On July 30, 2012, a work order was issued to McKinstry Essention Inc. (McKinstry) to produce a Conservation Services Proposal and detailed audit under its Energy Services Master Agreement dated February 6, 2012. The total value of the work order is \$64,208 for the Friday Harbor Labs Energy Conservation project.

McKinstry, established in Seattle in 1960, is one of the leading mechanical design, construction, and facility management services firms in the Pacific Northwest. Recent energy conservation projects completed by McKinstry include the Smart Grid Demonstration project and the Campus Chilled Water PIC Valves ESCO Phase 2 project.

The project scope encompasses a number of resource conservation measures with the goal of reducing energy and water costs and improving the comfort and safety of the students, researchers and field staff at the facility. Some of the measures include installing more energy efficient lighting, upgrading plumbing fixtures, installing programmable thermostats, and improving the mechanical systems in the Dining Hall, Fernald Hall and Laboratory buildings 9 and 10.

This project funding is anticipated as follows:

Source of Funds	
Office of Planning and Budgeting	\$757,393
Utility Rebates	\$ 42,460
State Commerce Department Energy Efficiency Grant	<u>\$533,147</u>
	\$1,333,000

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Design commenced on May 28, 2013. On site construction work is anticipated to start in November 2013, with substantial completion planned for May 2014.

2. Physics Astronomy Laboratory Ventilation Project No. 204156 Actions Reported: Select Engineer, Establish Budget, Award Construction Contract

On October 18, 2012, a work order was issued to McKinstry Essention Inc. (McKinstry) to produce a Conservation Services Proposal and detailed audit under its Energy Services Master Agreement dated February 6, 2012. On April 16, 2013, a work order for design and construction services was issued to McKinstry. The total value of the work orders is \$1,853,393 for the Physics Astronomy Lab Ventilation project.

McKinstry, established in Seattle in 1960, is one of the leading mechanical design, construction, and facility management services firms in the Pacific Northwest. Recent energy conservation projects performed by McKinstry include the Harborview Medical Center (HMC) Exhaust Fan Replacements 36/37 and the HMC East Wing Chiller Replacement projects.

This project will retrofit the 100% outside air, constant volume ventilation systems in the basement zones of the Physics Astronomy building with pressure independent terminal units located in the existing supply and exhaust ductwork. Additionally, fan systems will receive new motors and variable frequency drives. The zones will then be allowed to modulate supply air volumes to maintain space temperatures. The modifications will result in substantial energy savings as a result of reduced outside air heating and cooling loads, terminal reheat, and reduction of supply and exhaust fan energy usage.

On March 25, 2012, a project budget was established for \$2,315,000. This project will be funded as follows:

Source of Funds

Central Funds	\$400,000
Utility Rebates	\$433,734
Washington State Department of Commerce Grant	\$978,555
Washington State Department of Treasury Energy Loan	<u>\$502,711</u>
	\$2,315,000

Design and equipment procurement is underway. The Construction Notice to Proceed was issued in late May 2013. Substantial Completion is scheduled for October 7, 2013.

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Budget Summary	Current Approved Budget	Forecast Cost at Completion
Total Consultant Services	\$99,089	\$99,089
Total Const. Cost*	\$2,032,463	\$2,032,463
Other Costs	\$13,326	\$13,326
Project Administration	\$170,122	\$170,122
Total Project Budget	\$2,315,000	\$2,315,000

* Includes construction contract amount, contingencies and state sales tax

REPORT OF ACTIONS TAKEN UNDER GENERAL DELEGATED AUTHORITY – ACQUISITION OF GOODS AND SERVICES

1. Action Reported: Acquisition of Illumina Reagents and Consumables

Under delegated authority, the Director of Procurement Service, or his/her designee has executed a contract with Illumina on 04/01/13 to procure reagents and consumables that are exclusive to equipment in the Nickerson lab.

This contract was a sole source based on compatibility with the Nickerson lab's existing equipment and continuity of research. In addition, there is no other direct equivalent product that can be used on this OEM equipment.

The total contract value is \$1,593,680. This is a tax exempt item. This includes contract pricing which reflects a 20% discount on reagents/consumables and an 8% discount on the new MiSeq family of reagents/consumables. Contract also provides a flat 1% freight rate for orders over \$100,000.