



Regular Meeting

Item Number 11e – Open Session

Subject: Extension of the CEO Spending Authority to complete HQE Project

Presenter(s): Chairperson

Item Type: Consent Action

Date & Time: March 7, 2024 – 0 minutes

Attachment(s): None

PowerPoint(s): None

Item Purpose

The purpose of this item is to request a second extension of the Chief Executive Officer (CEO) spending authority, not-to-exceed \$1 million, if needed, to complete the HQE Project. The spending authority would be for any unanticipated project expenditures that may go beyond the approved \$321.4 million budget and would otherwise delay construction completion if not approved prior to the next board meeting in May 2024.

Recommendation

Approve the second extension of the CEO spending authority, not-to-exceed \$1 million, if needed, to complete the HQE Project for any unanticipated expenditures above the board approved HQE Project budget of \$321.4 million.

Background

In January 2024, the board approved staff's recommendation to extend the CEO's spending authority by a not-to-exceed \$1 million, to complete the HQE Project, should any further unanticipated expenditures above the HQE Project budget of \$321.4 million be required to complete the project prior to March 2024 meeting. This was requested to prevent a delay in construction completion for any last-minute expenditures required to complete the project. At the time, the projected Substantial Completion Date (SCD) was January 24, 2024. To date, the schedule has slipped to February 28, 2024, but the budget is still holding within the approved amount of \$321.4 million. If the schedule continues to slip, the CEO may need to approve additional expenditures, limited to the delegation amount of up to \$1 million, to ensure enough budget is available to pay for further non-discretionary expenditures through project completion. In the event the HQE Project budget is revised per this authority, staff will inform the board, outlining the revisions at the next meeting.

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Strategic Plan Linkage:

Goal 1: Trusted Stewards

Goal 3: Sustainable Organization: Complete Headquarters Expansion Project
