

VII. STANDING COMMITTEES

- B. Finance and Audit Committee
In Joint Session With
- C. Capital Assets Committee

Major Project Approval Process - Proposal to ReviseRECOMMENDED ACTION:

It is the recommendation of the Administration, the Finance and Audit and Capital Assets Committees that the President or the President's authorized representative be authorized to utilize project specific delegations of authority and a more streamlined approval process for major projects, using a "Project Presentation" approval method.

BACKGROUND:

Approval is requested to utilize a more streamlined approval process for major projects which will result in fewer specific approvals for each individual project and allow projects to proceed in a more expeditious manner. Approving this request will result in major projects, as appropriate, being presented to the Board of Regents (BOR) a reduced amount of times for specific approvals and utilizing project specific delegations of authority to the Executive Vice President for award of the design and construction contracts.

Each major project currently is presented to the BOR for specific approvals of: 1) project budget establishment, 2) design contract appointment, 3) alternative public works determination (if appropriate), and 4) construction contract award. Whenever practical, two or more approvals are combined into a single presentation; however, this is not always possible.

In addition to the above approvals each major project is presented to the BOR to set guidelines and review the Architectural Opportunities Report (AOR), if appropriate for the project, and/or to revise the budget if the cost forecast varies from the current approved budget by 10% or more. Additional informational presentations are also conducted at, or near, the completion of schematic design if appropriate for the project, and during the semi annual project status reports in March and October. Additional information regarding major projects is distributed in a written semi annual status report in January and July of each year focusing on the previous six month period.

PROPOSAL:

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Approving this proposal will result in some, although not all, major projects being presented to the BOR in a single presentation to receive all four of the typically-requested approvals at one time. This would be termed a “Project Presentation” and would present the scope of the project, cost estimate, schedule, contracting strategy and any significant risks or opportunities that could have an impact on the project. Following this presentation, Regent approval of the project budget and use of alternative public works (if appropriate) will be specifically requested. In addition, delegation of authority to the Executive Vice President will be requested to award the design and construction contracts, subject to these contract selections following the required regulations and policies, being within the approved budget and scope of work and funding being available. Awards made under these delegations would be reported back to the BOR as an action taken under specific delegated authority at the next regularly-scheduled BOR meeting.

The action item request would typically read as:

“It is the recommendation of the administration and the Capital Assets Committee that project budget be established at \$ ____* for the ____* ____ project; that the use of alternative public works utilizing the ____* method be approved (as appropriate); and that the Executive Vice President be delegated authority to award design and construction contracts, subject to the scope, budget and funding remaining consistent with the established limits.”

The exact order of the approval process, as well as delegations of authority, could be modified with each project to best meet the needs of the University. In addition to the “Project Presentation”, all other informational presentations and reports would be conducted as they are currently conducted.

The expected outcome, as a result of approval of this proposal, would be a more efficient execution of the project schedule which would not be constrained by BOR meeting dates. It is also expected to result in a more efficient use of the Board of Regents’ time, without negatively affecting the visibility or control required by the Regents of each major project.

* To be determined for each project

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3/17/05

Major Project Approvals

Current BOR - Project Intersections

- ▶ Set Guidelines AOR (I)
- ▶ Establish Budget (A)
- ▶ Approve Design Consultant (A)
- ▶ Alternative Public Works (A)
- ▶ Approve Contractor (A)
- ▶ Review Schematic Design (I)
- ▶ Semi Annual Reports (I)

Proposal

- ▶ Set Guidelines & AOR (I) *
- ▶ Project Presentation (A)
- ▶ Schematic Design Review (I) *
- ▶ Semi Annual Reports (I)

* As Necessary



Capital Projects Office

Capital Assets Committee
March 17, 2005

Proposal

► Project Presentation (A)

- Establish Budget
- Alternative Public Works*
- Delegate Authority to EVP ** for
 - A&E Selection
 - Contractor Selection

* As required

** Within approved Scope and Project Budget



Capital Projects Office

Capital Assets Committee
March 17, 2005

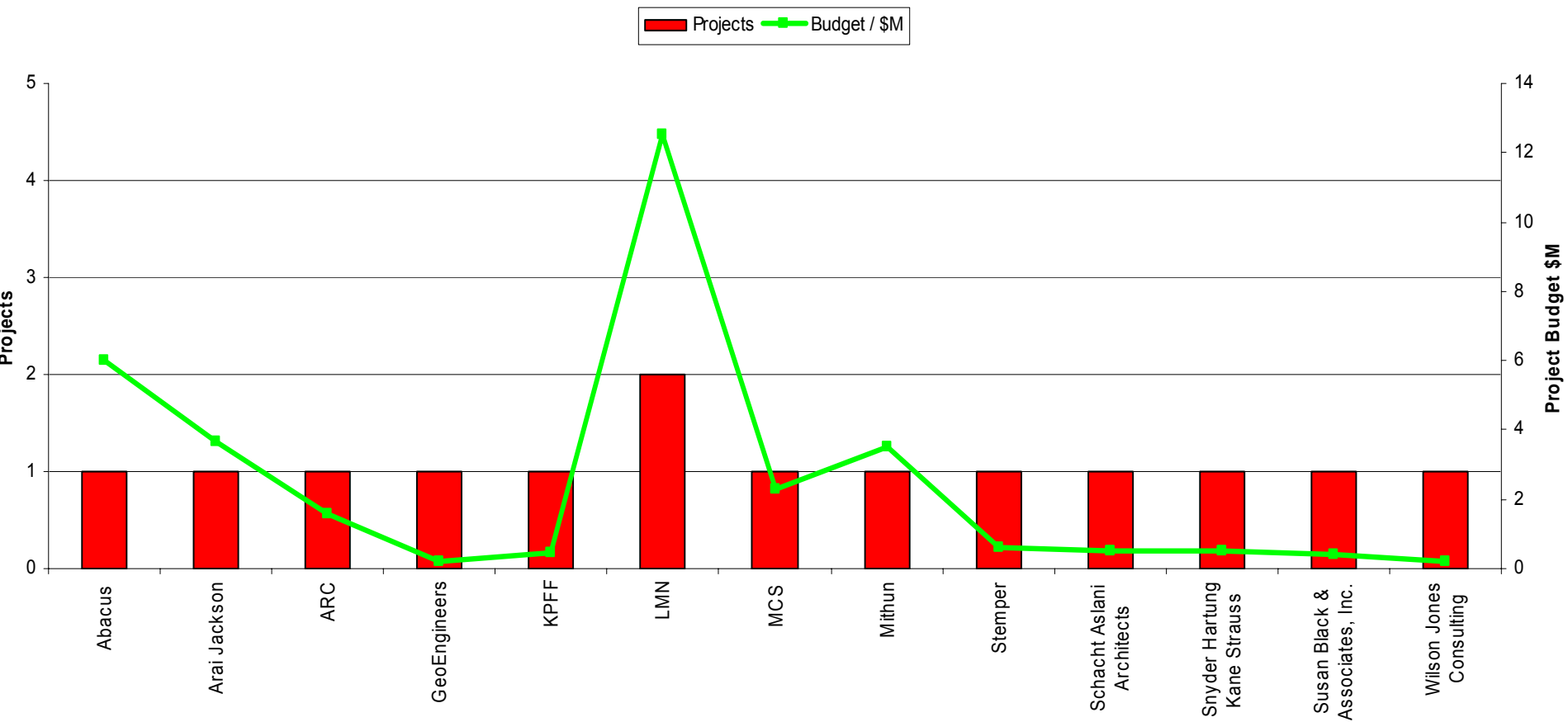
Anticipated Results

- ▶ Enhanced Project Schedules
- ▶ Reduced Regents' Action Items
- ▶ Full compliance with codes and policies

Contracting - MWBE

- ▶ Impact of I-200
- ▶ Communicating Contract Opportunities
- ▶ Current Status

A/E Contracts



Conventional Construction Awards March 2004 - Current

