

CAPITAL PROJECTS

I. Purpose

Board Policies 730.1, 730.2, 730.3, 740.1 and 740.2 address Capital Projects, Major Capital Projects, selection of architects and engineers, and certain energy cost savings contracts. This UASP provides further detail and additional requirements, as authorized by the Board of Trustees in Board Policy 730.1.

II. Project Proposals

The Capital Project Proposal form attached to this UASP will be completed by the campus, unit or division (campus) and forwarded to the President at least seven days prior to the published agenda deadline in advance of the Board meeting at which the campus intends to request approval, unless this deadline is first waived by the President. The submitted Capital Project Proposal will include a description of the project's proposed function, facility location and description (including an attached map), projected cost for the project, a parking plan to support any new or expanded facility, identification of the source of funds, and an explanation of how the proposed project fits the campus' long-range plans. For projects to be built in phases, the campus will identify the projected cost of each phase, the source of funds for each phase and the approximate commencement and completion dates for each phase.

At the President's discretion, a campus may also be required to conduct a feasibility or planning study for the proposed project before submitting the proposed project for Board approval. In that case, the Capital Project Proposal, together with a request to employ planning or design professionals for the feasibility study (if outside planning or design professionals are necessary), will be submitted to the Board. After completing the study the campus will submit to the President an updated Capital Project Proposal with revised cost estimates and a request to engage design professionals for design of the project

III. On-Call Architects and Engineers

On rare occasions, a campus that has used an on-call architect or engineer for planning, design or supervision may discover after the designs are complete that actual construction costs will exceed \$2,000,000. For example, the project was estimated to cost less than \$2,000,000, but all contactor bids exceed \$2,000,000, or an unanticipated event or condition increases the total cost above \$2,000,000. In those cases, the President may approve continued engagement of the on-call architect or engineer, but only to complete the project as originally designed.

IV. Energy Cost Savings Contracts

Projects to be conducted under the authority of the Arkansas Guaranteed Energy Cost Savings Act¹ must be solicited and planned in consultation with the Arkansas Energy Office, following the process prescribed by the Energy Office. Before entering into a contract for an investment grade audit (IGA) or making any other contractual commitment to initiate a guaranteed energy cost savings project, the campus must submit to the President's office a description of the anticipated scope of the project, identification of the contractor the campus proposes to engage, the estimated cost of the IGA², and the anticipated source of funds to pay both the IGA and the expected project.

The President may, at his or her discretion, require that a project be submitted to the Board of Trustees for review or preliminary approval before the IGA contract is signed, with final approval to follow negotiation of the project contract.

Before initiating project contract discussions with the potential contractor, the campus should provide a copy of the IGA and a brief description of the project to the Office of General Counsel. The General Counsel's office must be consulted before any contract negotiations commence and should serve as an advisor in the contract negotiations. The proposed project contract terms should be substantially complete before the project is brought to the Board of Trustees for final approval.

V. Selection Committees

To the extent practicable, selection committee members should include individuals with experience or expertise relevant to the project, including individuals with expertise or experience in planning or construction. Following the final interview, the committee should numerically score each of the finalists and record the scores. A record of the scores must be submitted to the Board of Trustees when requesting approval to retain an architect or engineer, and when requesting approval of a contractor selected under Board Policy 730.2.

VI. Building Standards

Building standards to be applied in design and construction will include at a minimum the latest edition of the Arkansas Fire Prevention Code, the National Electrical Code as adopted in Arkansas, the Arkansas Plumbing Code, the Arkansas Mechanical Code, and applicable requirements of the Americans with Disabilities Act. For healthcare facilities the Arkansas Department of Health Rules and Regulations for Healthcare Facilities will be followed.

¹ Ark. Code Ann. § 19-11-1201, et seq.

² Arkansas Energy Office rules establish cost guidelines that will guide the campus and the contractor in determining the IGA fee.

Campuses that have not adopted specific campus building standards will apply the standards set by the Arkansas Division of Building Authority, to the extent the standards are applicable and reasonable for the specific project.

VII. Capital Construction Energy Conservation Policy – Leased Space

Board Policy 750.1 requires a report of energy performance for certain new or renovated facilities, including facilities leased to a campus. When a campus is a tenant in a multi-tenant property and utilities are not separately metered for each tenant, the campus is not required to report energy performance for any utility that is not separately metered.

VIII. Additional Guidance

For additional guidance addressing specific processes, campuses should consult guidance published by the System Office.³

November 1, 2023 (Revised)

December 2, 2020

³ <https://www.uasys.edu/campus-resources/construction-contracting-procedures/>

CAPITAL PROJECT PROPOSAL FORM

Campus: _____

Name of Proposed Facility: _____

1. Proposed function of project. If the proposed project is new construction, describe this project's role in the campus master building plan.
2. Proposed facility location & description (attach map).
3. Total estimated project cost, including construction and design, land acquisition and fixtures.
4. Total estimated cost of furnishings.
5. Estimated time to substantial completion.
6. Parking plan to support new or expanded facility.
7. If this project will be phased, or is part of a phased, or multi-step, project, describe each proposed phase, the estimated timeline for subsequent phases, and the estimated cost of each phase.
8. Source of project funds. Where borrowing is proposed, include an estimated cost of financing.