\$640K





Capital Resources Management

BUDGET AND CAPITAL RESOURCES

\$50K

**\$**0

NO CHANGE

\$100K

UC Office of the President

# 2015 Qualifications for Informal Competitive Bidding (SB502)

Construction Services has developed a comprehensive qualification questionnaire to meet the new UC statutory requirements, in preparation for the January 1, 2015 rollout of the new SB502 informal competitive bid limit of \$640,000. This qualification questionnaire will become part of the standard OP "core" informal bid documents. On informally bid projects, when the cost of construction (labor plus materials) is over \$300,000 but does not exceed \$640,000, PCC will require qualification of general contractors and MEP subs prior to bidding. Qualifications will be good for a period of one year. Join us for the **CPI Webinar December 8th** at 2:30 for more detail. *Dylan Paul* 

### **On-Line Construction Bid Advertising**

 
 THROUGH 2014
 Informal bidding up to \$100K
 Informal Bidding: Qualifications required - GC and MEP subs to be qualified - Winning bid to be posted on campus website after award

 EFFECTIVE 2015
 Informal bidding up to \$300K No qualifications required
 - GC and MEP subs to be qualified - Winning bid to be posted on campus website after award

 • New limits take effect January 1, 2015; old limits expire December 31, 2014
 -Limits are based on total amount of construction contract(s) – labor plus materials - Projects may not be split to bring components within lower bidding requirements - Formal bidding required beyond \$640K

CHANGES TO INFORMAL COMPETITIVE BIDDING (PCC 10504.5)

\$300K

Formal bidding procedures remain unchanged, if formally bidding under \$640k...follow formal bidding procedures in the Facilities Manual

More good news for UC construction programs!!! SB876 was enacted and amends PCC§ 10502 for University construction bid advertisement requirements. The new language allows campuses to post advertisements for bids on the University website instead of newspapers and trade journals. This new privilege is expected to save the UC system more than one million dollars in direct annual expenses, along with an unknown but considerable number of person-hours from the reduced administrative burdens.

Please continue to engage new construction firms and disadvantaged businesses, and ensure that your construction project advertisements reach an appropriate level of recipients within your local contracting community. Point your browser to <a href="http://www.ucop.edu/construction-services/advertisements/index.html">http://www.ucop.edu/construction-services/advertisements/index.html</a> for a complete list of all campuses and their bid advertisement webpages.

We must tip our hat to the attentive efforts of Patrick Lenz (VP-BCR) and Deborah Wylie (AVP-CRM) as this would not have occurred without their concerted efforts. *Chris Hornbeck* 

# Notice of Federal Interest

"CONGRATULATIONS! Your campus has been awarded a Federal grant for a capital project." To protect the Federal interest, the granting agency will require the University to record a Covenant or Notice of Federal Interest ("NFI"). Agencies include a NFI for completion with the grant application. Do **NOT** use it! The Real Estate Services Group (RESG) has negotiated with NIST and NIH for an amended form for the University's use. Why care? A NFI places numerous restrictions on the Regents' property. The agency form does not provide for the automatic termination of the restrictions upon expiration of the grant term nor does it provide for a detailed legal description of the grant area thereby creating a cloud on title for longer and covering more property than necessary. Please contact **Connie** 

Miller for information and the University forms. It can takemonths/years/legal fees to amend or rescind the agency's formNFI.Dana Santa Cruz

# New Labor Compliance Regulations for January 2015



Budget trailer bill SB854 chaptered this year amends the Labor Code prompting UC policy changes. Beginning January 1, 2015 all competitively bid UC projects will be required to do the following: include DIR specific language in bid advertisements, allow only DIR-registered

contractors to bid on or be awarded UC projects, require specified DIR jobsite postings, and complete a PWC-100 form within 5 days of awarding a new project. UCOP Construction Services will release new contract document templates, update the Facilities Manual, and discuss the details during the **CPI Webinar December 8**<sup>th</sup>. Chris Hornbeck

### Dialogue

NOVEMBER 2014

### Stull Act Update

As reported in the last issue of Dialogue, AB2726 will become effective on 1/1/15, implementing three modifications to Stull Act requirements for the sale of surplus University real property. The modification with the greatest potential long-term impact allows The Regents to consider bidders' qualifications in determining the bid or proposal it will accept for the sale of property. The legislation specifies that a bidder's qualifications may include such factors as the bidder's ability to complete the transaction or to secure development entitlements. In practice, consideration of bidders' qualifications requires careful structuring, as the Stull Act continues to preclude any negotiation or discussion with individual bidders. This capability will enable the University to market property for an option sale to assure that the bid is not only competitive but helps to insure it will result in a successfully completed transaction as well. The Real Estate Services Group will be working with the Office of General Counsel to determine how bidders' qualifications will be considered in future bid sales of surplus property. Allen Meacham

## Can Builder's Risk Insurance Be Terminated Before Final Completion?

Current construction contract provisions stipulate that the University will maintain Builder's Risk insurance coverage through the date of Final Completion, as recorded in the Notice of Completion (NOC). This is the safest way to avoid any gaps in coverage and protect University financial resources. How-

avoid any gaps in coverage and protect University financial resources. However, there may be extenuating circumstances that warrant termination of Builder's Risk insurance before Final Completion and the filing of the NOC. These could be unresolved disputes after completion of work, or prolonged delay in the contractor providing manuals, warranties, or other requirements of the contract. To terminate coverage before final completion, the campus must verify that all the on-site construction work, including the punch list, is complete and contractors are no longer on the project site. This can be done by submitting a signed verification form, along with the completed Request to Terminate Builder's Risk form, to the construction insurance broker. *Vini Bharaava* 

**Gender-Neutral Restrooms and Changing Rooms:** The UC LGBT Task Force recommended to President Napolitano that she instruct Capital Resources Management (CRM) to convene an implementation group to develop and implement a gender-inclusive restroom facilities policy for UC, including provisions to provide single-occupancy gender-inclusive (gender-neutral) restrooms in all new buildings; provide gender-inclusive restrooms when major restroom renovations are made; and construct private changing rooms in new or renovated recreation centers. If you or someone you know has particular expertise in this area and would be willing to serve on the implementation group, please forward contact information to Catherine Kniazewycz at catherine.kniazewycz@ucop.edu.

**The California Building Standards Commission (BSC)** approved several DSA changes to Title 24, Part 2, Chapter 11B as part of the 2013 Intervening Code Cycle. The most substantive changes were:

**11B-202.4.8, Exception for unreasonable hardship.** When the "enforcing agency" determines that an unreasonable hardship exists in complying with path-of-travel requirements for alterations, additions, and structural repairs, the code provides a priority order for providing accessibility improvements within an added cost of 20% of the construction cost. For priority 3, "At least one accessible restroom for each sex," BSC added "or a single accessible unisex restroom." For priority 6, "When possible, additional accessible elements such as parking, storage, and alarms," the BSC added "signs."

**11B-411, Destination-oriented elevators.** The BSC added this new section covering requirements for destination-oriented elevators, referencing ASME 17.1. Destination-oriented elevators (also known as destination dispatch elevators) are elevator systems that provide lobby controls for the selection of destination floors (typically key pads or touch screens), lobby indicators designating which elevator to board, and a car indicator designating the floors at which the car will stop. Many, though certainly not all, of the provisions in this new section are related to usability for the visually impaired.

*Catherine Kniazewycz* 

#### UCSD Professionals Understanding Our **Contract Documents:** 8 Webinar #5- Advertising and Bidding (Formal Webinar and Informal) and Labor Compliance 5 2013 T24 California UCD **Energy Code for** Renovations, Alterations, Additions, and Energy 10 **Efficiency Projects** UCI **Regents Meeting**

DECEMBER

**Mission Bav** 

**Key Dates** 

Use of the EDPA and Working with the Design

For corrections, updates or future contributions please contact Michael.Linder@ucop.edu