

## Proposal to add new or update existing policies and procedures

### Basic Information:

- 1) This is a request to [ ] add a new, [X] update an existing, [ ] abolish an existing policy/procedure.
- 2) Policy Title: Construction and Professional Services in Support of Construction
- 1) Policy Number: AP8.281
- 2) Current Responsible Office: Office of Procurement and Real Property Management
- 3) Proposed Responsible Office: Facilities Contracts Office (FCO) within the Facilities Business Office
- 4) Name/Title of Requester: Lisa H. Dau, Director, Facilities Business Office
- 5) Requester Contact: 1960 East-West Road, Biomedical Building, Room B-101, x6-3307
- 6) Requesting Office VP or executive: Vice President for Administration

### Vetting Process Information:

- 1) Why is this change necessary? e.g., legal, regulatory, financial, operational, accreditation, etc.
  - a. This change was necessary due to the operational need to centralize and focus procurement of capital and facilities procurements for construction in excess of \$250,000 and professional services in support of construction into the new Facilities Contracts Office (FCO) within the Facilities Business Office. This procedure identifies the responsibilities of FCO and OPRPM, for construction related procurements, and sets forth the process of such procurements in a user-friendly fashion. To this end, wholesale changes were made to the proposed version of AP 8.821. As such, no redline version from the previous AP8.281 was completed.
- 2) Impacts of new or revised policy / procedure:
  - a. General impacts? While the revised policy/procedure is substantively the same, it is organizationally and procedurally different to provide a user-friendly guide to complying with procurement-related laws, rules, and regulations for construction and facilities related improvements. In general, this revised procedure will channel facilities procurements and contracts into a centralized procurement office devoted solely to these specific projects. This change will streamline the process for these important procurements to promote aggregation of requirements so the University can more easily realize economies of scale and efficiency.
  - b. Groups/people impacted?
    - i. The Office of Procurement and Real Property Management (OPRPM) will be responsible for construction procurements with an estimated value of less than \$250,000. This shift will relieve that office from construction procurements that exceed that dollar threshold. However, OPRPM will retain responsibility for post-award contracting actions where the contract was originally processed by OPRPM.
    - ii. The revised procedures continue to be governed by the requirements of the Hawaii Revised Statutes and Hawaii Administrative Rules. But, facilities personnel who conduct or participate in procurements for construction and professional services in support of

construction will require training on the logistics of the revised procedure and interaction with the FCO.

- c. Financial impact? None.
- d. Other policies/procedures affected? None.

3) Detailed summary of changes:

- a. Establishes the FCO to centralize procurement of construction with an estimated value of \$250,000 and over and professional services supporting construction into a single office devoted to these projects.
- b. Provides delegations of procurement authority to the OPRPM and the FCO.
- c. Describes the procedure for procurement of construction with an estimated value less than \$250,000 and coordination requirements with the OPRPM.
- d. Establishes streamlined procedures for procurement of construction for each method of procurement set forth in Hawaii Revised Statutes Sections:
  - i. 103D-302 – Invitation for Bids,
  - ii. 103D-303 – Request for Proposals,
  - iii. 103D-305 – Small Purchases,
  - iv. 103D-306 – Sole Source, and
  - v. 103D-307 – Emergency Procurement
- e. Establishes streamlined procedures for procurement of professional services in support of construction in accordance with HRS 103D-304.

4) Who was consulted?

- a. Office of Procurement and Real Property Management: Duff Zwald and Karlee Hisashima.
- b. Office of Capital Improvements Manager of Construction Management: Ross Richards
- c. Office of Capital Improvements Manager of Design Build: Sherman Wong
- d. Office of Capital Improvements Special Projects Coordinator: Caroll Takahashi
- e. Director of Planning and Project Development: James Kurata
- f. Associate Vice President of Administration: Donna Kiyosaki
- g. Vice President for Administration: Jan Gouveia

5) Are there measures that need to be implemented prior to execution? If so, please specify. Who will be responsible to ensure appropriate preparations are made?

- a. Training of facility personnel who conduct or participate in procurement of construction and professional services will need to be conducted after release. Training will only be required to

introduce new forms and the logistics of coordinating with FCO based on pilot projects conducted by FCO utilizing the revised procedures. The Facilities Contracts Manager will be the responsible party to ensure training is prepared and conducted to ensure success of the revised procedures with minimal disruption to personnel.

6) What steps will be or have been taken to ensure that proper communication and training is/was provided for the successful implementation of this change?

a. Steps already taken:

- i. Prior to implementation the FCO has conducted several procurements as pilot projects to introduce the new forms, procedures and process for coordinating with FCO. FCO engaged the facility management offices at UHM and UHH along with the Office of Capital Improvements to test the system with these pilot projects.
- ii. The pilot projects focused on the revised procedures associated with the most common methods of procurement as indicated below:
  1. UHM: Phase 1 Parking Structure Repairs (Invitation for Bids)
  2. UHH: Replace Cover-All Roof at Pacific Aquaculture and Coastal Resources Center (Invitation for Bids)
  3. OCI: New Life Sciences Building Design-Build Project (Request for Proposals)
  4. OCI: Planning and Optimization Study (Professional Services)
- iii. The pilot projects identified weaknesses and gaps in the procedures and the lessons learned informed the final version of the revised procedures.

b. Steps to be taken:

- i. Upon implementation, the Facilities Contracts Manager will conduct training with the follow major facilities groups:
  1. UHM
  2. UHH
  3. CC
  4. UHWO
  5. JABSOM
  6. Student Housing

**Approver Comments**

Name/Title of First Approver: \_\_\_\_\_

1<sup>st</sup> Approver Comments:

Name/Title of Final Approver: \_\_\_\_\_

Final Approver Comments: