


UNIVERSITY OF HAWAII

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UNIVERSITY BUDGET OFFICE

August 21, 2002

**MEMORANDUM**

TO: Associate Vice President Allan Ah San  
FROM: Acting Director Glenn K. Nakamura   
SUBJECT: COPY OF APPROVED REORGANIZATION FOR  
THE OFFICE OF CAPITAL IMPROVEMENTS

Enclosed for your files is a copy of the reorganization approved by the Board of Regents on July 19, 2002 to establish the Office of Capital Improvements.

Enclosure

c: Director Peggy Hong  
Director Calvin Kashimoto  
Director Claire Nakamura  
Interim Vice Chancellor Rodney Sakaguchi  
Vice President James R.W. Sloane



UNIVERSITY OF HAWAII  
BOARD OF REGENTS

UNIVERSITY OF HAWAII

02 July 2, 2002

EVAN S. DOBELLE  
PRESIDENT, UNIVERSITY OF HAWAII

**MEMORANDUM**

TO: Mr. Allan Ikawa  
Chairperson, Board of Regents

FROM: Evan S. Dobelle  
President, University of Hawaii

SUBJECT: ESTABLISHMENT OF AN OFFICE OF CAPITAL IMPROVEMENTS FOR  
THE UNIVERSITY OF HAWAII

**SPECIFIC ACTION REQUESTED**

The Board of Regents is requested to approve the establishment of an Office of Capital Improvements (OCI), University of Hawaii, as described in the attached proposal.

**RECOMMENDED EFFECTIVE DATE**

Upon Board of Regents' approval, with full implementation subject to available university resources and/or legislative authorization of positions and funds.

**PURPOSE**

The purpose of this request is to establish an Office of Capital Improvements to manage capital projects for the University. Implementation of the OCI will facilitate independence from the State's Department of Accounting and General Services, Public Works. Thus, the University will become responsible and accountable for the planning, design, and construction of its physical facilities.

## BACKGROUND

Act 115, SLH 1998, UH Autonomy Act, determined "that autonomy for the university would materially enhance the university's performance of its constitutional responsibilities and thereby contribute significantly to economic revitalization." "Under this Act, the university board of regents and administration are delegated substantially increased authority and decision-making power over the real and personal assets held in public trust pursuant to the Constitution..."

At the November 15, 2001 Board of Regents meeting, an external consultants report – University of Hawai'i Capital Program Implementation – key findings and preliminary recommendations were shared with the Regents. In summary, key findings noted:

- 1) The need for a more unified approach to capital project delivery.
- 2) There is a general lack of "ownership" of projects.
- 3) High priority projects need top level management attention and project implementation teams.
- 4) Repair and Maintenance projects need constant attention.

During the week of December 17 – 21, 2001 a systemwide workshop – "Facilities and Moving Forward With Autonomy" was held with assistance and facilitation provided by Dr. Deborah Poodry of the Massachusetts Institute of Technology. A proposed organizational structure, implementation issues, schedule, and funding issues were shared with the Board at its meeting on January 17, 2002. The attached proposal mirrors the workshops' concept of a proposed organizational structure.

The Capital Improvements organizational proposal was circulated internally to the University's Executive Council and externally for consultation to the HGEA – public employee union. Copies of the proposed organization were also transmitted to the UHPA and UPW employee unions for information.

## RECOMMENDATION

It is recommended that the Board approve the establishment of the Office of Capital Improvements reporting to the President, as described in the attached proposal, with implementation phased-in subject to available University funding and added legislative appropriations.

- c: Executive Administrator and Secretary of the Board Iha  
UEC  
Director Hong  
Director Nakamura  
Jack Bradshaw

UNIVERSITY OF HAWAII  
SYSTEMWIDE ADMINISTRATION  
OFFICE OF CAPITAL IMPROVEMENTS  
EXECUTIVE SUMMARY

This reorganization proposal establishes a University Systemwide Office of Capital Improvements, thereby enabling the University to internally control its capital improvement projects. Therefore, the University will have the responsibility and be accountable for administering its capital projects – the planning, design, and construction of its physical facilities.

The proposal establishes a core group of professional staff to manage the capital project program. The core group is being formed by reassigning existing filled positions, reassignments of vacant positions, and new positions authorized by the legislature.

Act 115, SLH 1998, UH Autonomy Act, provided “the university board of regents and administration are delegated substantial increased authority and decision-making power over the real and personal assets held in public trust.”

The establishment of the Office of Capital Improvements is a major step in the fulfillment of the University’s autonomous functions.

PROPOSAL FOR REORGANIZATION  
UNIVERSITY OF HAWAII  
OFFICE OF THE PRESIDENT  
CAPITAL IMPROVEMENTS OFFICE

PRESENT ORGANIZATION

Major new construction and renovation projects historically have been administered by the State's Department of Accounting and General Services, Public Works Division (DAGS/PW). DAGS/PW serves as the expending agency and is the owner's representative and project manager.

PROPOSED ORGANIZATION

This proposal calls for the establishment of the Capital Improvements Office within the President's Office, thereby enabling the University to control all University capital improvements program (CIP) projects. Therefore, the University will have the responsibility and be accountable for administering the University's capital projects program – the planning, design, and construction of physical facilities.

See Attachment A – Organization Chart, and Attachment B – Functional Statements.

BACKGROUND/NATURE OF THE PROPOSED REORGANIZATION

This proposed organization reflects a total of seventeen (17) full-time equivalent positions, see Attachment C. Staffing reassignments and the reallocation of positions are necessary to establish the Office of Capital Improvements. Once established, the office will be able to facilitate and improve the delivery of construction services to the University campuses.

ESTIMATED COST OF THE ORGANIZATION

The estimated total salary cost of the reorganization will be in the range of \$1,112,000. The reallocation of existing salary funds (\$444,144) and new salary funding (\$667,856) is required. Given the financial resources required, the implementation of the organization will be phased based on availability of funds and office space. The University will also seek Executive and Legislative authorization for project funded positions utilizing CIP appropriations.

REASONS FOR PROPOSED REORGANIZATION

Act 115, SLH 1998, UH Autonomy Act, found "that autonomy for the University would materially enhance the University's performance of its constitutional responsibilities and thereby contribute significantly to economic revitalization"; and "under this Act, the university board of regents and administration are delegated substantially increased authority and decision-making power over the real and personal assets held in public trust".

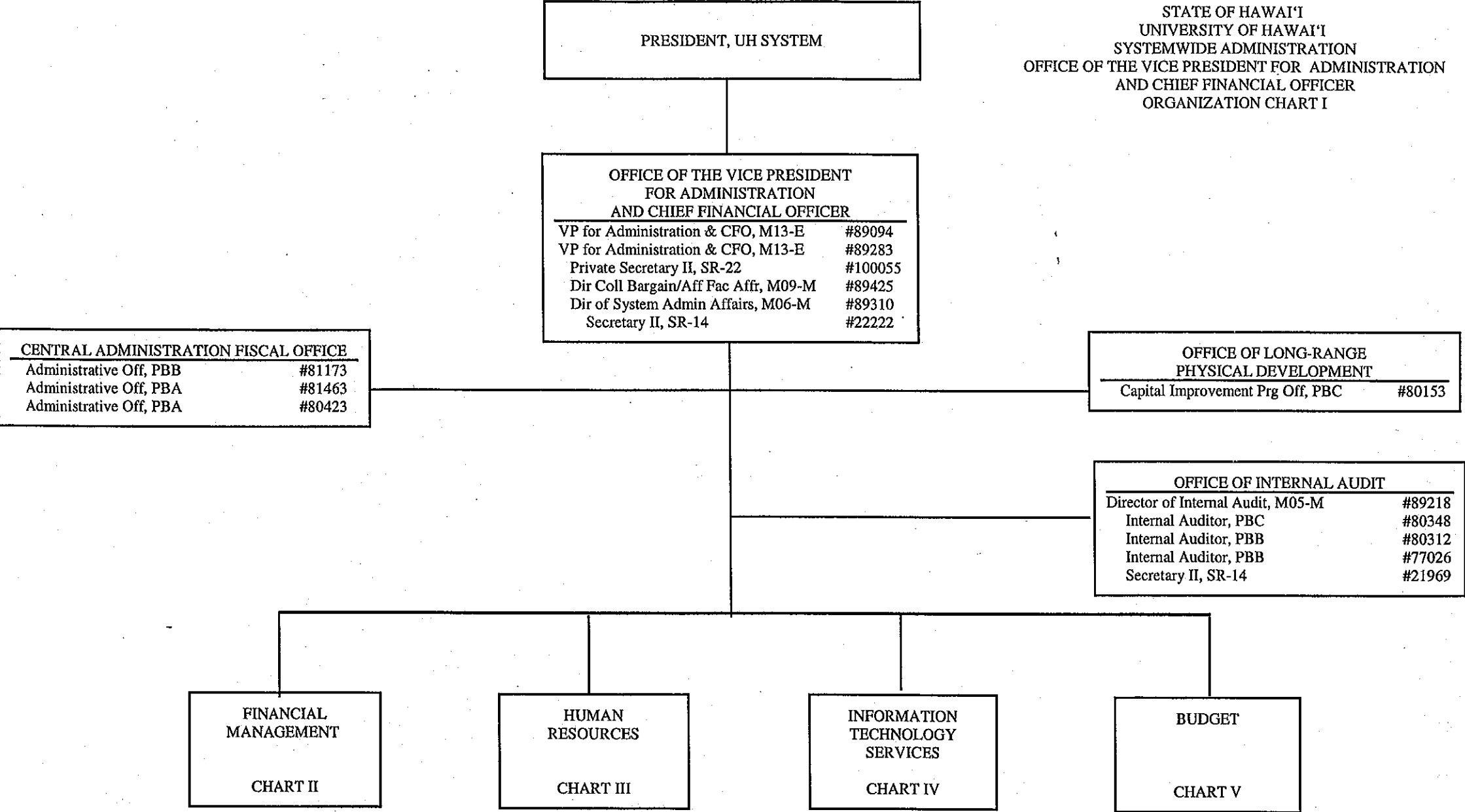
The establishment of the capital improvements office is a major step in the fulfillment of the University's autonomous functions.

### ALTERNATIVES CONSIDERED

An alternative would be to continue the existing practice of having DAGS/PW serve as the owner representative and project manager for CIP projects. Another option would be to establish a small central office of seven FTE to facilitate and coordinate capital projects. Project management/construction management would be administered by the chancellors. This model is similar to the University of California system. Chancellors would require added staffing resources in assuming this responsibility.

**PREVIOUS ORGANIZATIONAL CHARTS  
AND  
FUNCTIONAL STATEMENTS**

STATE OF HAWAII  
UNIVERSITY OF HAWAII  
SYSTEMWIDE ADMINISTRATION  
OFFICE OF THE VICE PRESIDENT FOR ADMINISTRATION  
AND CHIEF FINANCIAL OFFICER  
ORGANIZATION CHART I





**STATE OF HAWAII  
UNIVERSITY OF HAWAII  
OFFICE OF THE VICE PRESIDENT FOR ADMINISTRATION  
AND CHIEF FINANCIAL OFFICER  
OFFICE OF LONG-RANGE PHYSICAL DEVELOPMENT**

**FUNCTIONAL STATEMENT**

**MAJOR FUNCTIONS**

Provides system wide leadership, direction and control over the planning, development, implementation, and integration of long range physical development plans along with the development of associated capital improvements program (CIP) funding requirements in accordance with the University's long range strategic plans and priorities.

STATE OF HAWAII  
 UNIVERSITY OF HAWAII  
 UNIVERSITY OF HAWAII AT MANOA  
 OFFICE OF THE CHANCELLOR  
 FACILITIES, GROUNDS, & SAFETY  
 FACILITIES PLANNING AND MGMT OFFICE  
 CHART VII-B

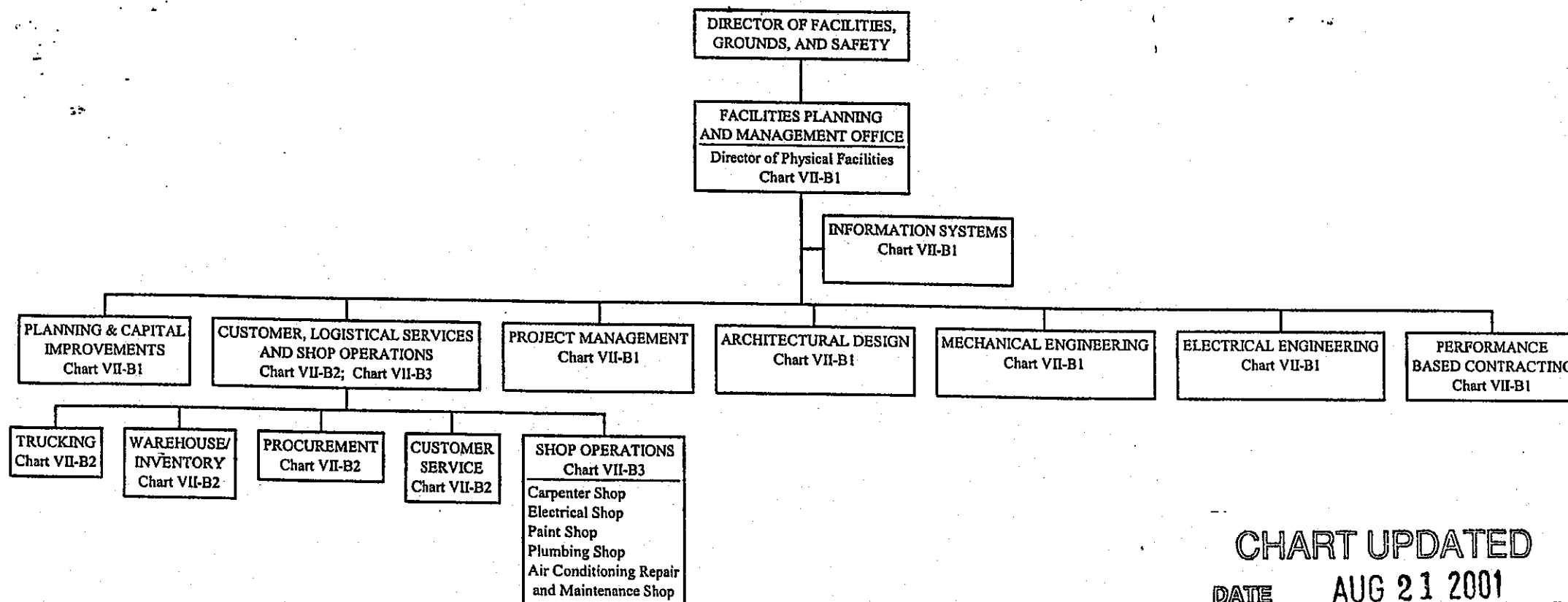


CHART UPDATED  
 DATE AUG 21 2001

STATE OF HAWAII  
UNIVERSITY OF HAWAII  
UNIVERSITY OF HAWAII AT MANOA  
OFFICE OF THE CHANCELLOR  
FACILITIES, GROUNDS, AND SAFETY  
FACILITIES PLANNING AND MGMT OFFICE  
CHART VII-B1

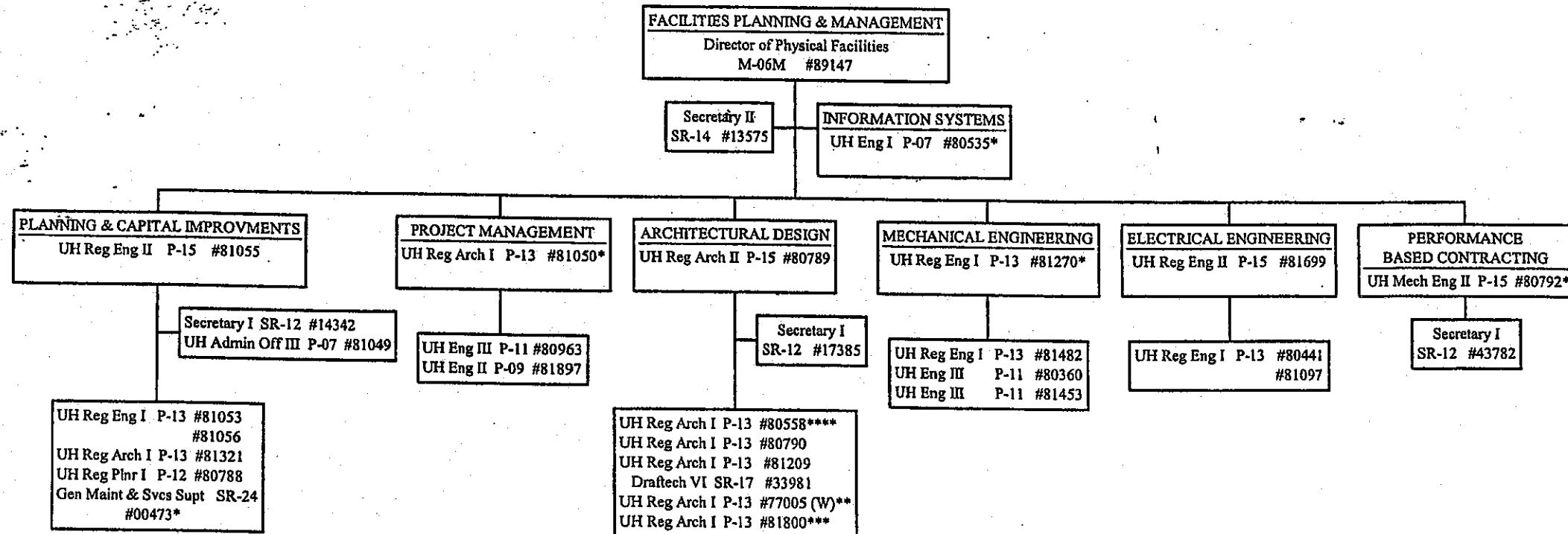


CHART UPDATED  
DATE AUG 21 2001

\*To be redescribed  
\*\*\*\*To be established

General Funds 29.00  
(W) Revolving Funds 1.00 (\*\*Not  
included in our position count, position  
belongs to and funded by Student Hsg.)

\*\*\*1.00 Not included in our position count,  
position belongs to and funded by EEO.

STATE OF HAWAII  
 UNIVERSITY OF HAWAII  
 UNIVERSITY OF HAWAII AT MANOA  
 OFFICE OF THE CHANCELLOR  
 FACILITIES, GROUNDS, AND SAFETY  
 FACILITIES PLANNING AND MGMT OFFICE  
 CHART VII-B2

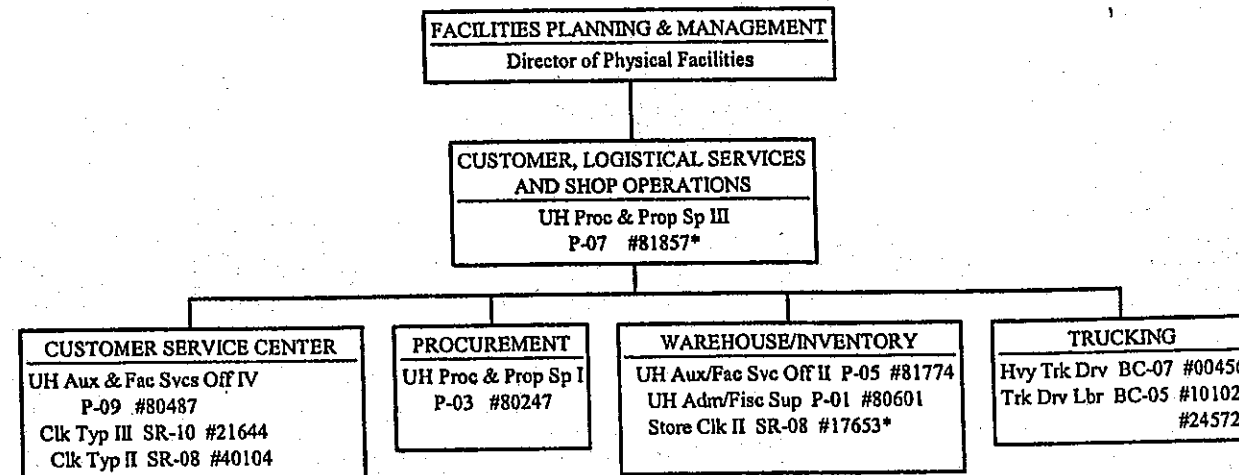


CHART UPDATED  
 DATE AUG 21 2001

\*To be redescribed

General Funds 11.00

STATE OF HAWAII  
UNIVERSITY OF HAWAII  
OFFICE OF THE CHANCELLOR  
UNIVERSITY OF HAWAII AT MĀNOA  
VICE CHANCELLOR FOR ADMINISTRATION,  
FINANCE AND OPERATIONS  
FACILITIES, GROUNDS, & SAFETY  
FACILITIES PLANNING AND MANAGEMENT

## MAJOR FUNCTIONS

Conducts and coordinates the planning, budgeting, construction, repair, and maintenance of physical facilities for the UH Mānoa and emerging UH West O'ahu campuses in accordance with approved long-range development plans and applicable federal, state, and county building codes and standards.

### Architectural Design

- Prepares architectural plans and specifications and coordinates the preparation of mechanical, electrical, and utility distribution system designs for new/renovation projects performed either internally or by private contractors; and prepares specifications and bidding requirements for projects to be performed by private contractors.
- Develops and schedules preventive maintenance programs for building exteriors, interiors, roofs and roadways.
- Provides renovation design assistance to departments, including determination of service or maintenance requirements, alternative approaches, and time and cost estimates.
- Reviews departmental service work requests, preparing cost estimates as well as labor and materials requirements for work to be performed by the shops.
- Develops space standards and maintains inventory of campus buildings with regard to construction and occupancy, space assignments, keying systems, and utility distribution systems.
- Schedules and coordinates support services for special events.
- Maintains facilities information database.

### Project Management

- Participates in architectural/mechanical/electrical design documents and reviews for UHM construction projects.
- Provides construction management services for UHM construction projects.
- Maintains communications with the UHM campus community.
- Prepares and maintains project warranty information.
- Establishes, maintains, and improves UHM construction procedures and guidelines.

### Planning and Capital Improvements

- Prepares and maintains long-range physical development plans for UH Mānoa and UH West O'ahu by translating academic program requirements into building and structural needs; develops and evaluates land use and area requirements; develops and maintains facilities, planning, architectural, engineering, and aesthetic standards.

- Prepares and recommends the multi-year and biennial Capital Improvements Program (CIP) and related annual expenditure plans, including development of cost estimates, determination of priorities, and phasing and scheduling of projects to ensure the timely execution of master plans.
- Develops and coordinates individual capital projects from preparation of architectural programs through design, construction, and equipping of physical facilities.
- Prepares proposals to federal and private agencies for loans and grants for construction of facilities.
- Conducts and reports on institutional studies as required for the UH Mānoa and UH West O'ahu campuses.
- Develops and maintains physical planning standards, policies, and procedures for use by architects, engineers, space planners and programmers, and other campus personnel.
- Establishes and maintains a facilities inventory, including historical and environmental contexts, existing component systems, and current space utilization.
- Conducts qualitative analyses and facility audits to identify deficiencies in the physical condition and quality of assigned space.

#### Performance Based Contracting

- Prepares and recommends repairs and maintenance projects for the UH Mānoa's performance based construction program - Performance Information Procurement System (PIPS).
- Reviews, coordinates and directs the preparation of project requirements and method of award for PIP projects.
- Develops and maintains an information system to monitor performance information on contractors, construction projects and warranty information.
- Provides construction management services for UHM PIPs projects.
- Maintains communications with the UHM campus community.
- Establishes, maintains and improves UHM PIPS procedures and guidelines.
- Coordinates and approves all information disseminated by the Arizona State University Performance Based Research Group in UHM PIPS website.
- Maintains the research partnership between the University of Hawai'i and the Performance Based System Research Group at Arizona State University.

#### Information Systems

- Establishes, installs, and maintains FPMO and BGM local area network, database, and information reporting systems.
- Provides hardware/software for technical and user training and services

#### Electrical/Mechanical Engineering

- Prepares or directs the preparation of mechanical/electrical engineering designs and specifications for UHM projects performed either internally or by private contractors; and prepares specifications and bidding requirements for projects by private contractors.
- Maintains facilities equipment audit and inventory; manages preventive maintenance programs for

mechanical and electrical systems; develops equipment and systems replacement programs in accordance with established industry criteria.

- Provides renovation design assistance to departments, including determination of service and maintenance requirements, alternative approaches, and time and cost estimates.
- Reviews departmental service work requests, preparing cost estimates as well as labor and materials requirements for work to be performed by the shops.
- Provides technical support to trade shops.
- Administers campuswide utilities and energy conservation program.
- Develops and maintains a comprehensive building audit program.

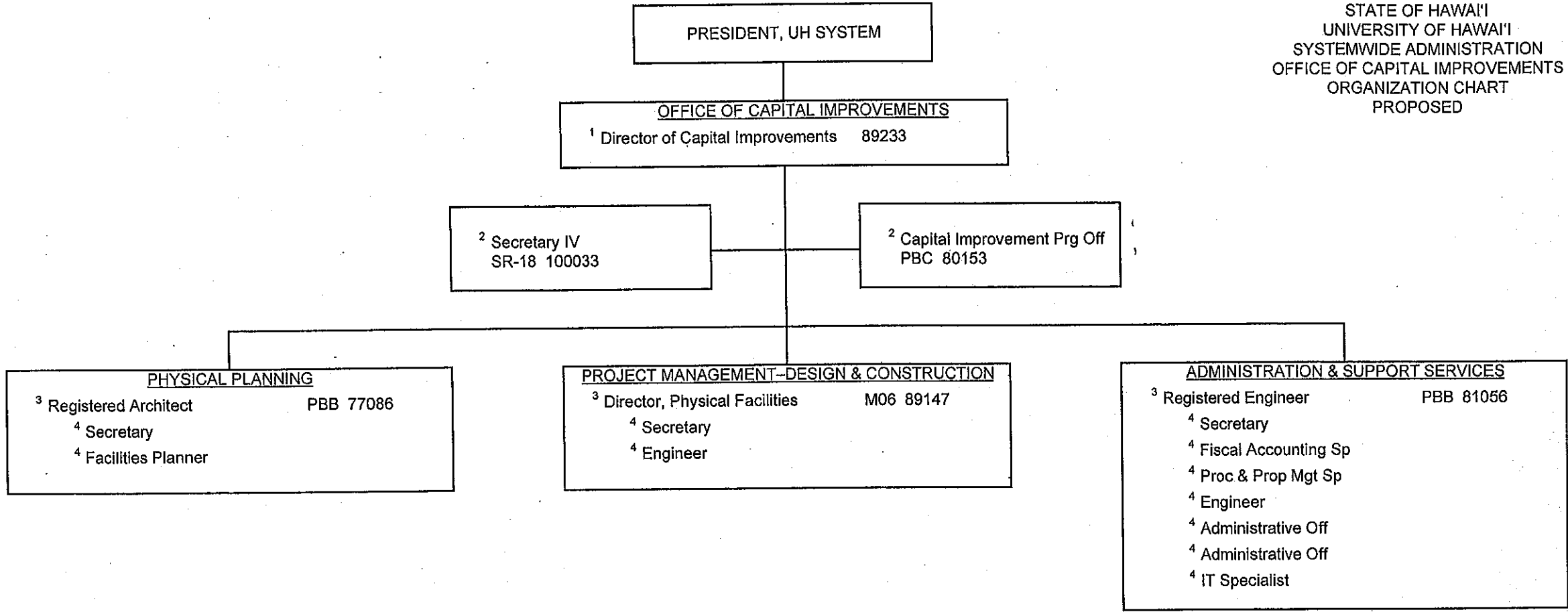
#### Customer, Logistical Services and Shop Operations

- Maintains a Customer Services Center which communicates customer requests and needs to appropriate FPMO units from the University community.
- Provides procurement and warehouse services to FPMO and BGM; provides for storage, transfer, and disposal of personal property; and maintains surplus inventory for the campus community.
- Provides trucking, moving, and disposal services to the campus community.
- Repairs and maintains campus structures, building hardware, equipment and utility distribution systems.
- Operates air-conditioning, maintenance mechanic, carpentry, electrical, plumbing, and paint shops. Implements preventive maintenance programs.
- Performs minor alteration/renovation projects.

**NEW ORGANIZATIONAL CHARTS  
AND  
FUNCTIONAL STATEMENTS**



STATE OF HAWAII  
UNIVERSITY OF HAWAII  
SYSTEMWIDE ADMINISTRATION  
OFFICE OF CAPITAL IMPROVEMENTS  
ORGANIZATION CHART  
PROPOSED



<sup>1</sup> Current position is Assoc VP for Administration; to be reassigned and redescribed to Director of Capital Improvements  
<sup>2</sup> Reassignment; position to be redescribed  
<sup>3</sup> Reallocated vacant position; position to be redescribed  
<sup>4</sup> Position to be created via reassigned position within the University and/or to be requested

APPROVED BY THE UNIVERSITY  
BOARD OF REGENTS  
JUL 19 2002  
Date

Existing Reassigned Positions	
General Funds	6.00
Positions to be Reassigned/Requested	
General Funds	11.00

STATE OF HAWAII  
UNIVERSITY OF HAWAII  
SYSTEMWIDE ADMINISTRATION  
OFFICE OF CAPITAL IMPROVEMENTS

JUL 19 2002

FUNCTIONAL STATEMENT

Capital Improvement Projects (CIP) provides the University of Hawai'i campuses with a physical environment that supports teaching, research, and public service in keeping with the mission of the University. We believe the buildings, infrastructure, and landscapes of the campuses should reflect the excellence and diversity of the academic enterprise. Facilities provide the centerpiece around which all other educational activities exist at the University.

OFFICE OF THE DIRECTOR

Provides systemwide executive leadership, direction and control over the planning, development, implementation and integration of multi-campus capital improvement program (CIP) projects, long range physical development plans, and associated capital improvements program budget requirements.

PHYSICAL PLANNING

Physical Planning provides comprehensive general, environmental, and project planning for major CIP. With an emphasis on the early and conceptual phase of the campuses' interest and needs, provides services that meet the academics, and student services and recreation needs while reflecting campus and community values. The Physical Planning efforts are focused on facilities, infrastructure, environmental management, recreation, and open spaces, and are conducted within the framework of the Board of Regents approved strategic plan and campus long-range development plans. Program/Project Planning provides programmatic development planning, including project definition, space requirements, preliminary cost, schedule, and phasing scenarios, and implementation.

PROJECT MANAGEMENT – DESIGN AND CONSTRUCTION

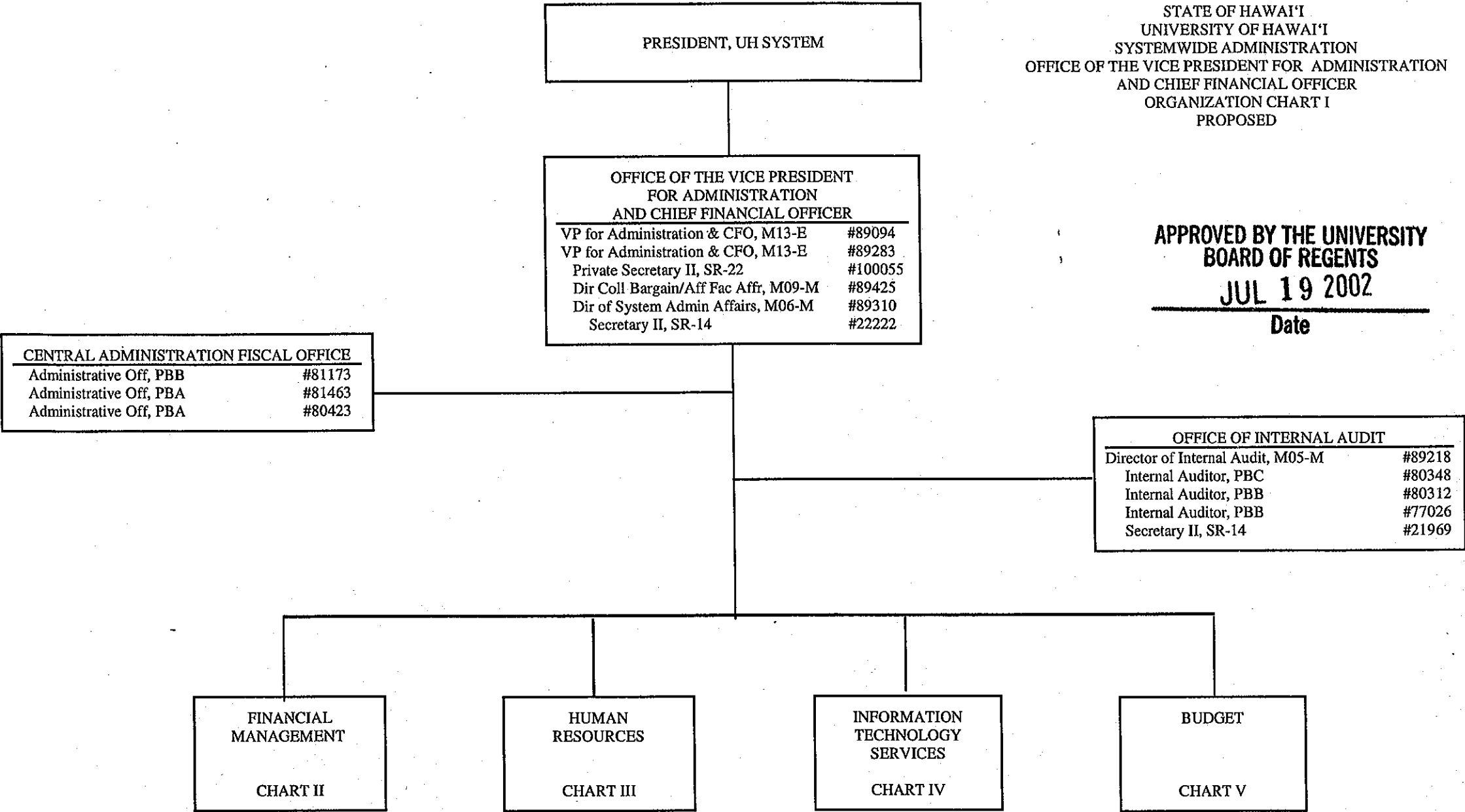
Project Management-Design and Construction provides the project management for major capital projects, which includes new construction and major renovations. Functions include the direction and leadership of project teams in the implementation and execution of CIP projects to meet objectives of the plans and developing projects within budget and on schedule. Project Management serves as the primary liaison among campus committees, user groups, architects, and contractors in all project phases from planning, programming, design, and construction through occupancy. The Project Management function also includes development of project budgets and schedules, and manages the services of architects, engineers and contractors.

ADMINISTRATION AND SUPPORT SERVICES

The Administration and Support Services provides administrative support to the director, and the Physical Planning and Project Management functions. Support services include fiscal, accounting, procurement, contract award and administration, capital budget preparation, legislative participation, and budget implementation, information/data systems, management reporting, asset management, and warranties. The Administration and Support Services directs, supports, and coordinates with campuses on the development of policies and standard operating procedures for means and methods to improve delivery, quality, and accountability in the allocation and expenditure of resources for physical facilities.

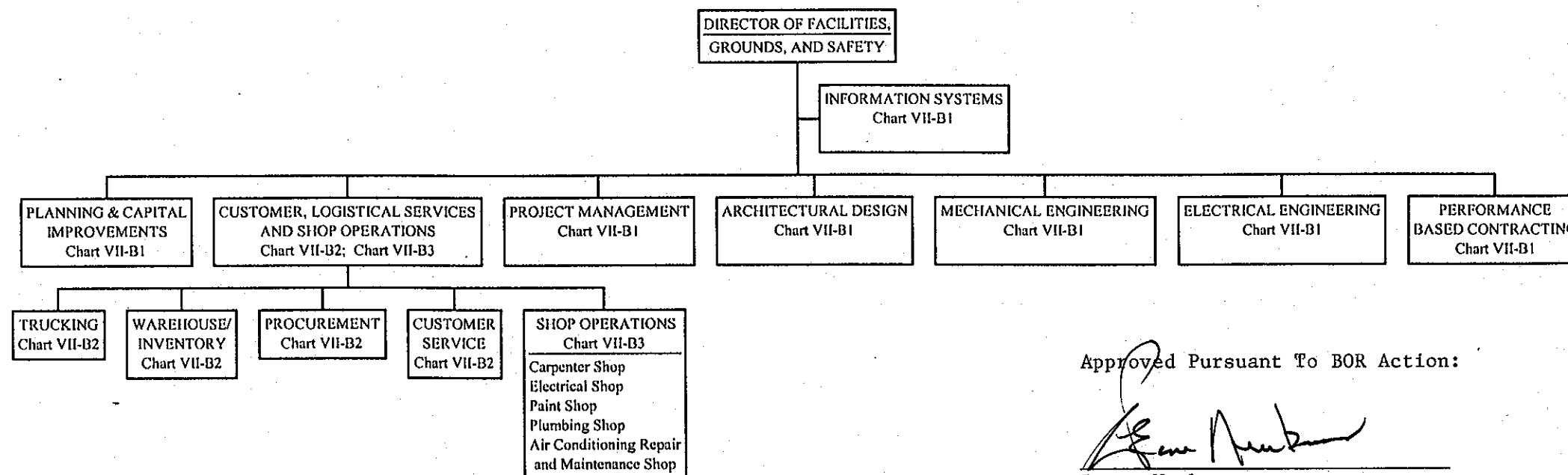
STATE OF HAWAII  
UNIVERSITY OF HAWAII  
SYSTEMWIDE ADMINISTRATION  
OFFICE OF THE VICE PRESIDENT FOR ADMINISTRATION  
AND CHIEF FINANCIAL OFFICER  
ORGANIZATION CHART I  
PROPOSED

APPROVED BY THE UNIVERSITY  
BOARD OF REGENTS  
JUL 19 2002  
Date



STATE OF HAWAII  
UNIVERSITY OF HAWAII  
UNIVERSITY OF HAWAII AT MANOA  
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CHART VII-B

PROPOSED



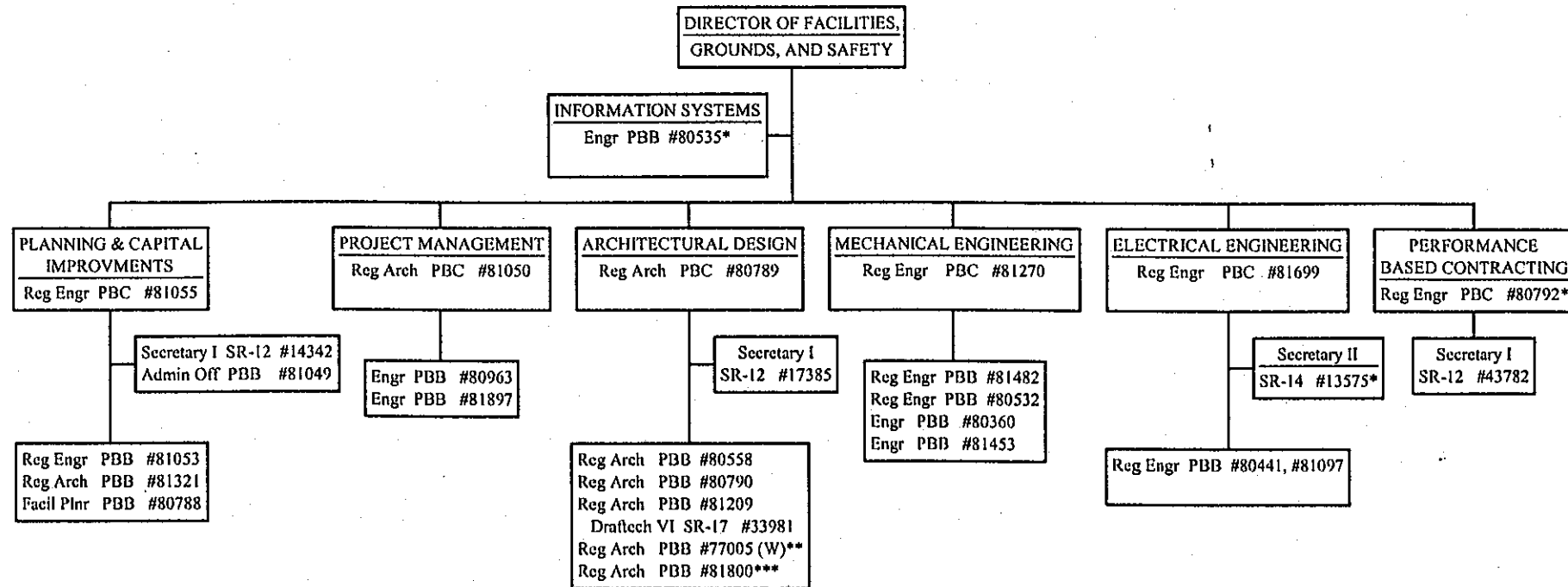
Approved Pursuant To BOR Action:

Deane Neubauer  
Interim Chancellor  
University of Hawaii at Manoa

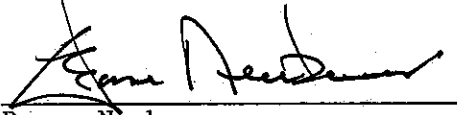
Date: JUL 19 2002

STATE OF HAWAII  
UNIVERSITY OF HAWAII  
UNIVERSITY OF HAWAII AT MANOA  
OFFICE OF THE CHANCELLOR  
FACILITIES, GROUNDS, AND SAFETY  
FACILITIES PLANNING AND MGMT OFFICE  
CHART VII-B1

PROPOSED



Approved Pursuant To BOR Action:

  
Deane Neubauer  
Interim Chancellor  
University of Hawaii at Manoa

Date: JUL 19 2002

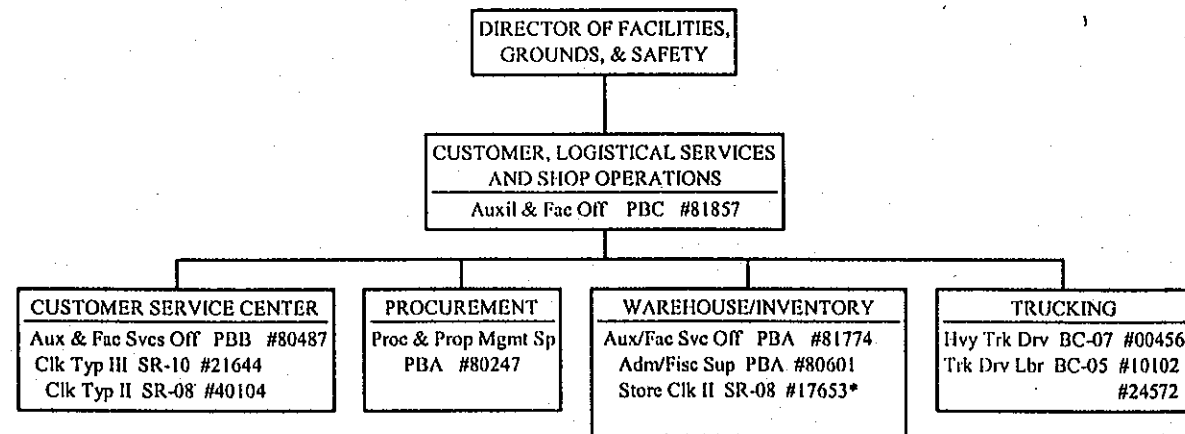
\*To be redescribed

General Funds 27.00  
(W) Revolving Funds 1.00 (\*\*Not  
included in our position count, position  
belongs to and funded by Student Hsg.)

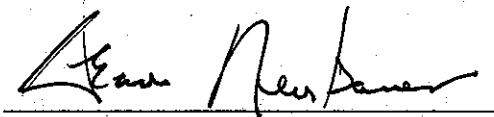
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STATE OF HAWAII  
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 UNIVERSITY OF HAWAII AT MANOA  
 OFFICE OF THE CHANCELLOR  
 FACILITIES, GROUNDS, AND SAFETY  
 FACILITIES PLANNING AND MGMT OFFICE  
 CHART VII-B2

PROPOSED



Approved Pursuant To BOR Action:



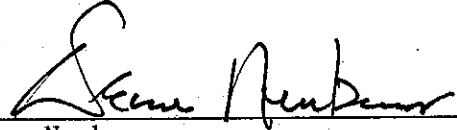
Deane Neubauer  
 Interim Chancellor  
 University of Hawaii at Manoa

Date: JUL 19 2002

\*To be resdescribed

General Funds 11.00

Approved Pursuant To BOR Action:

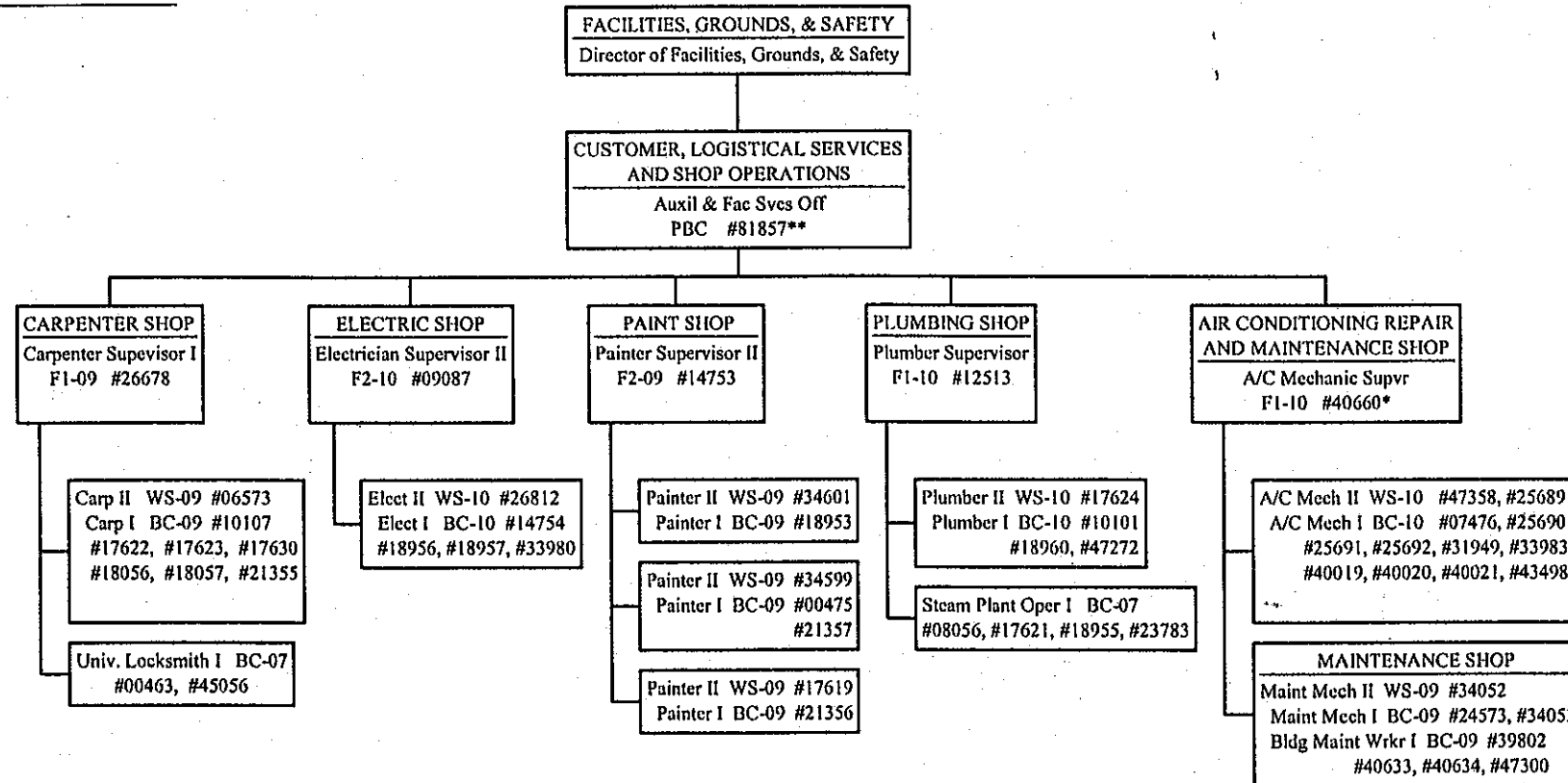


Deane Neubauer  
Interim Chancellor  
University of Hawaii at Manoa

Date: JUL 19 2002

STATE OF HAWAII  
UNIVERSITY OF HAWAII  
UNIVERSITY OF HAWAII AT MANOA  
OFFICE OF THE CHANCELLOR  
FACILITIES, GROUNDS, AND SAFETY  
FACILITIES PLANNING AND MGMT OFFICE  
CHART VII-B3

PROPOSED



\*To be redescribed

General Funds 54.00  
\*\*Position count not included on this page.