

January 20, 2012

VICE CHANCELLOR - ADMINISTRATIVE AND BUSINESS SERVICES  
ASSOCIATE VICE CHANCELLOR AND  
CAMPUS ARCHITECT - DESIGN AND CONSTRUCTION SERVICES  
ASSISTANT VICE CHANCELLOR - FACILITIES MANAGEMENT AND  
ENVIRONMENTAL HEALTH AND SAFETY  
CHIEF OPERATING OFFICER - UCI MEDICAL CENTER  
DIRECTOR, CAPITAL DESIGN & CONSTRUCTION PROJECTS, UCI MEDICAL CENTER  
SENIOR DIRECTOR, FACILITIES MANAGEMENT, UCI MEDICAL CENTER

RE: Redlegation of Authority - Construction Contract Documents (Bid Solicitation and Execution of Construction Contracts, including Limited Authority within the Best Value Selection Program)

The construction contract document authority delegated to Chancellors by Presidential Delegations DA 2564, on December 15, 2011, is redelegated to the Vice Chancellor-Administrative and Business Services; the Associate Vice Chancellor and Campus Architect-Design and Construction Services; the Assistant Vice Chancellor-Facilities Management; and the Chief Operating Officer-UCI Medical Center, as follows:

1. To execute construction contracts for approved projects which are not in excess of appropriated funds, are within the restrictions imposed by State law and the Office of the President, and subject to the following conditions:
  - a. Contracts must be competitively bid, as required by State law and as specified in DA 2564, and be awarded to the lowest responsible bidder, or on the refusal or failure of such bidder to execute a tendered contract, be awarded to the second lowest responsible bidder or, on that bidder's refusal or failure to execute a tendered contract, be awarded to the third lowest responsible bidder, unless it is determined that the acceptance of a responsible bid is not in the best interests of the University, in which case all bids shall be rejected.

Facilities Management shall be requested to bid on projects up to an estimated cost of \$50,000 (the current limit on projects which can be performed by University employees) except in the case of painting or repainting work which cannot be performed by University employees if estimated to cost more than \$25,000. Projects for the erection, construction, alteration, repair or improvement of experimental or diagnostic equipment are not subject to the \$20,000 limitation and can be performed by University employees regardless of estimated cost. (Chancellor's authorization form is required.)

- b. Advertisements must be published for construction, alteration, repair, or improvement work if the estimated cost exceeds a stipulated dollar value (currently \$100,000).
2. The following modes of contracting may be used:

Complete plans and specifications (lump sum)  
Design-and-Build (turnkey)  
Construction Manager (management contracting)  
Cost-plus-fee

The Regents have not redelegated the authority to use other contracting modes.

3. Execution of a contract for a project shall not cause the total cost of the Project (including site clearance, building construction, exterior utilities, site development, A&E fees, campus administration, surveys & tests, special items, construction contingency, and group 2 & 3 equipment) to exceed the approved capital improvement budget.
4. Construction contracts valued at less than \$25,000 may be executed without requiring bid bonds or other forms of bid security, performance bonds, and payment bonds, subject to regulations in the Facilities Manual and other requirements established by the Office of the President. Construction contracts valued between \$25,000 and \$50,000 may be executed with payment bond security alone, subject to contract language and policies and regulations established by The Regents and the Office of the President.
5. To consent to withdrawal of a bid after bids are opened and the bidder claims a mistake if conditions established by the University and set forth in the Facilities Manual under "Withdrawal of Bids" are met.
6. To negotiate and execute change orders in and to a construction contract, within appropriated funds, subject to University regulations.
7. To sign, in the name of the Corporation, notices of completion.

#### Authority for Best Value Selection

California Public Contract Code Sections 10506.4 et seq. authorize the campuses of the University of California to utilize Best Value selection as a pilot program for a period of 5 years from January 1, 2012 until January 1, 2017.

Effective January 1, 2012 and until January 1, 2017 or as otherwise authorized by statute, you are authorized to use the Best Value program for selection of construction contractors, subject to statute mandated guidelines published in the *Facilities Manual* and the following requirements for each project:

1. Approval of bidding documents by the Associate Vice President - Capital Resources Management (or designee) prior to advertising;
2. Approval of the selected Best Value contractor by the Associate Vice President - Capital Resources Management (or designee) prior to award;
3. Adherence to the Best Value Procedures and Required Guidelines for Evaluating the Qualifications of the Bidders published by the Associate Vice President - Capital Resources Management (or designee); and
4. Notification to the Office of the President of any bid protest, in accordance with the contract documents.

This authority may not be redelegated further and supersedes the May 17, 2004 delegation of authority from Chancellor Cicerone on the same subject (IDA 377).

A handwritten signature in black ink, appearing to read "Michael V. Drake", with a large, sweeping loop at the end.

Michael V. Drake, M.D.  
Chancellor

- C: Executive Vice Chancellor and Provost
- Chief Executive Director, UCI Medical Center
- Associate Vice Chancellor, Administrative and Business Services
- Assistant Vice Chancellor, Accounting and Fiscal Services
- Director, Environmental Planning and Sustainability
- Director, Capital Planning
- Director, Materiel & Risk Management
- Chief Campus Counsel
- Director, Internal Audit
- Administrative Policies Officer