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April 27, 2012

DA 820.31

ADMINISTRATIVE VICE CHANCELLOR JACK J. POWAZEK

**Delegation of Authority – Bid Solicitation and Execution of Construction Contracts, including Limited Authority within the Best Value Selection Program**

- References:**
- (a) UC DA 2564 (Bid Solicitation and Execution of Construction Contracts, Including Limited Authority within the Best Value Selection Program) to Chancellors, et al., dated December 15, 2011;
  - (b) Regents' Standing Order 100.4(z) and (dd);
  - (c) CA Public Contract Code, Part 2, Chapter 2.1, University of California Competitive Bidding (starting with Section 10500); Section 10506.4 et seq.;
  - (d) University of California Facilities Manual.
- Supersedes:** UCLA DA 820.07 (Construction Contracts) to Admin. Vice Chancellor Morabito, dated 8/24/2007; UCLA DA 822.02 (Bonding Requirements for Construction Contracts) to Admin. VC Morabito and VC Olsen, dated 10/8/2007.

Effective as of the date above, I hereby delegate to you, for approved projects within your area of responsibility, including approved minor capital improvement projects and such other projects for which you may be specifically assigned project management responsibility by Capital Programs, the authority related to the construction of capital projects, including utilizing approved modes of construction contracting, soliciting and consenting to withdrawal of bids, executing construction contracts (subject to established bonding requirements), negotiating and executing change orders, signing notices of completion in the name of The Regents, and implementing the Best Value contractor selection processes, subject to the following restrictions:

1. 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.
2. Bid solicitations and contract awards shall comply with applicable State law and shall be subject to regulations and requirements specified in the University of California (UC) Facilities Manual and other requirements which may be established from time to time by the Office of the President, including the requirements stated in delegations of authority, or their

You are authorized to use the following modes of contracting as defined in CA Public Contract Code Section 10503, subject to requirements in the UC Facilities Manual: Complete plans and specifications (Lump Sum); Design-and-build (Design-Build); Construction manager (CM at Risk); and Cost-plus-fee.

CA Public Contract Code Section 10503(e) authorizes The Regents to solicit bids under such other contracting modes as The Regents determine to be in the best interest of the University, provided that such bids or proposals are compared on a uniform basis and that the award is made as determined by the published selection standards. To the extent they are not encompassed within the modes listed in the previous paragraph, you are also authorized to use the following additional approved contracting modes, subject to the requirements in the UC Facilities Manual: Job order or delivery order; Time and materials; Unit pricing; and Cost plus guaranteed maximum price ("cost plus GMP").

Subject to requirements in the UC Facilities Manual, you are also authorized:

1. To execute construction contracts valued at less than \$25,000 without requiring bid bonds or other forms of bid security, performance bonds, or payment bonds; contracts valued between \$25,000 and \$50,000 can be executed with payment bond security alone. Future changes in the authorized dollar limits, if any, will appear in the UC Facilities Manual.
2. To consent to the withdrawal of a bid after bids are opened and the bidder claims a mistake, under the conditions specified in the UC Facilities Manual section on "Modification or Withdrawal of Bids after the Bid Deadline";
3. To negotiate and execute change orders to a construction contract, within appropriated funds; and
4. To sign notices of completion in the name of The Regents.

Any modifications to approved contract documents not authorized by the guidelines published in the UC Facilities Manual require review by the General Counsel and approval by the Office of the President.

CA Public Contract Code Sections 10506.4 et seq. authorizes UC campuses 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, unless otherwise authorized by statute, you are hereby authorized to use the Best Value program for selection of construction contractors, subject to statute mandated guidelines in the UC Facilities Manual and the following requirements for each project:

1. Approval of bidding documents by the Associate Vice President – Capital Resources Management (AVP) (or designee) prior to advertising;
2. Approval of the selected Best Value contractor by the AVP (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 AVP (or designee); and
4. Notification to the Office of the President of any bid protest in accordance with the contract documents.

This delegation is being reissued due to the reissuance of the parent UC DA (reference (a), above) to include authority for Best Value selection, and to incorporate authority previously set out in a separate delegation for bid bonding requirements for contracts less than \$25,000, and from \$25,000 up to \$50,000. Any redelegation of these authorities shall be in writing with a copy to me and those listed below.



Gene D. Block  
Chancellor

cc: Executive Vice Chancellor & Provost  
Vice Chancellor & CFO Finance, Budget & Capital Programs  
Associate Vice Chancellor for Design and Construction  
Manager Administrative Policies & Delegations  
Director Contracts, Capital Programs