

April 21, 2005

UCF MEMORANDUM UCF-13.02-04/05

TO: Members, Council of Presidents

SUBJECT: Construction Project Administration and Award of Construction Contracts

AUTHORITY: Chapter 235, Sections 240.209, 240.227(12), 255.29, and 287.055, F.S.  
Rules 6C-14.018, 6C-14.021, 6C-18, F.A.C.

PURPOSE: To establish procedures for construction project administration and the award of construction contracts.

**A. Project Requirements (all projects):**

**Construction Administration.** The university is responsible for providing construction administration for all projects. At the completion of the projects, the university secures the Certificates of Substantial and Final Completion. If a project is a threshold project as defined in Chapter 553, F.S., the university shall ensure that all requirements of that Chapter are met.

**Compliance with Codes and Standards.** The university shall ensure that the plans and specifications for all projects conform to required codes and standards, including, but not limited to: building codes, flood plain management criteria, fire safety standards, accessibility requirements for persons with disabilities, space utilization guidelines found in *State Requirements for Educational Facilities* (which can be obtained from the Department of

Education, Office of Educational Facilities), energy standards, cost containment guidelines, and standards established by the Office of Facilities Planning.

If a project proposes to change the structural systems, mechanical systems, electrical systems, or life safety systems, the drawings and specifications shall be prepared under the supervision and seal of a registered professional in the primary design discipline.

**Contract File.** The university is responsible for maintaining contract files.

**Minority Business Enterprise (MBE).** The university encourages minority participation.

**Maintenance of Space File.** The university shall reflect the changes in its Physical Facilities Space File for all projects which, upon completion, change the gross square footage space inventory data.

#### **A. Projects Requiring a Building Program**

Projects requiring professional architectural, engineering, landscape architectural, or surveying and mapping services pursuant to Section 287.055, F.S., and that have an anticipated construction cost exceeding \$1,000,000 require a building program in accordance with UCF-04, Development of Facilities Program, and are subject to the provisions of this section.

**Selection/Bidding Process.** The selection or bidding process used for construction is determined by the university. If the competitive selection process for construction management is used, then the procedures used for administering the project, including the selection process, shall be in accordance with UCF's Memorandas UCF-07, Construction Manager Selection Process, UCCF-08, Administration of Construction Manager Agreements, and Section A of this Chancellor's Memorandum. If the bidding process is used, then the procedures used for administering the project, including the bidding process, shall be in accordance with UCF's Memorandum UCF-12, Receipt and Opening of Construction Bid Proposals, and this Chancellor's Memorandum.

**Determination of Low Bidder.** After completion of applicable procedures for receipt and opening of construction bids (UCF-12), the university shall determine the low bidder as follows:

- a. **Identification of Base Bid and Alternate Amount** - Determine the actual bid price for the Base Bid and any alternates;
- b. **Determination of Completeness of Bid Proposal** - Verify that the bid proposal is in compliance with requirements of the bid specifications and the contract documents;
- c. **Contractor's License** - Determine that the contractor has the required current contractor's license and a copy is in the university project file;
- d. **Corporate Charter** - Determine that the contractor holds a currently active Florida Corporation Charter Number which may be verified by contacting the Department of State, Division of Corporations.

**Contract Award.** After determination of the low bidder, the university prepares an "Award of Construction Contract" (Attachment 1) and "Letter of Intended Decision" (Attachments 2 and 3) for the signature of the president. Letters of Intended Decision are sent to each bidder by certified U.S. Mail, return receipt requested, with copies to the project architect.

**Submittal of Capital Outlay Implementation Plan (COIP).** The university submits a request for a COIP revision, reflecting the contract award, to the Office of Administration and Finance in accordance with CM-D-38, Capital Outlay Implementation Plans, Budget Releases and Encumbrance Authorizations.

**Contract Preparation.** The university prepares five copies of the standard SUS Agreement between Owner and Contractor, performance bond, and labor and material payment bond. These documents can be obtained from the Office of Facilities Planning. The university secures the signature of the University General Counsel or designee on each copy of the Agreement, and transmits all copies of the contract and bonds to the contractor for execution.

**Contractor's Responsibilities** - required documents:

- a. **Performance and Payment Bonds** - Signed by the surety company's Florida resident agent and the construction company's president with copies of the agent's Florida Power of Attorney which must be attached to each copy of each bond;
- b. **Certificate of Insurance** - Indicating coverages required by the specifications;
- c. **Executed Contract** - Including all copies of the construction contract signed by the company president. If the contract is not signed by the company president, then proof of the signatory's authority to sign contracts must be submitted. An attesting officer must sign and apply the corporate seal. All signatures must be witnessed by another person.

**University's Execution.** Upon receipt of executed documents from the contractor, the university verifies that they have been properly executed. The university reviews the Certificate of Insurance and bonds for compliance with all state laws and requirements of the specifications. The university ensures that funds have been released, in accordance with CM-D-38, Capital Outlay Implementation Plans, Budget Releases, and Encumbrance Authorizations, prior to final contract execution.

**Notice to Proceed.** The university issues the "Notice to Proceed" (Attachment 4) to the contractor, transmitting the executed construction contract, performance bond, and payment bond, with copies distributed as follows:

- a. Office of the State Comptroller
- b. university accounting office
- c. project architect/engineer
- d. university contract file

### **C. Projects Implemented Using Continuing Contract Agreements**

Projects using services procured through Continuing Contract Agreements pursuant to Section 240.227(12), F.S., and Chapter 235, F.S., are subject to the provisions of this section.

**General Definitions.** In addition to the definitions in Section 235.011, F.S., "deferred maintenance" is defined for the purpose of this section as facility

systems that have failed or have reached unacceptable levels of service due to extended use, exposure to weather or corrosive agents, vandalism, the malfunctioning of other components, or other actions/events related to use, age, location, or interconnection of components, which have not been repaired from operating budget funds. Correction of deferred maintenance will complete the renovation or restoration necessary to return the building structure, fixed equipment, utility systems, grounds, and roads to good appearance and usable condition, and prevent further deterioration.

### **Classification of Funding for Projects:**

1. **TYPE ONE** projects are funded by the legislature in aggregate appropriations. The funds will be spent on multiple projects such as: Deferred Maintenance, Remodeling, Renovation, Maintenance, Repairs and Site Improvements or Fire Safety/Americans with Disabilities Act/ Capital Renewal.

The SUS Office of Capital Budgets notifies each university of the university's allocations for TYPE ONE projects and prepares a COIP and release for each university's allocations. The president approves all project list allocations for TYPE ONE projects. The president's approval is based on a review of the projects that ensures each project is consistent with the purpose of the appropriation and allocation by the Board of Regents (BOR).

### **University Expenditure Criteria:**

- a. The buildings shall be at least one year old. Building condition is based on the condition reported in the Physical Facilities Space File.
- b. The buildings shall be limited to those for which Educational and General (E&G) funds are provided for Plant Operations and Maintenance (PO&M) support. Buildings which house self-supporting functions, such as bookstores and food service operations, are not eligible.
- c. The buildings may be owned or leased. The maximum that can be expended for any improvements to leased facilities shall conform to Rule 6A-2.0111, F.A.C.

- d. Studies to determine the need for a project or to specify the scope or the work associated with a proposed project are not eligible.
- e. Furnishings and equipment are not eligible expenditures pursuant to Rule 6A-2.0111, F.A.C.
- f. Demolition expenditures are only eligible if the building is to be replaced from the allocated funds.
- g. Replacement facilities which do not exceed 5,000 gross square feet may be constructed.

**2. TYPE TWO** projects are funded as line items by the Legislature.

**COIP and Release Request.** The university submits a request for a COIP to the SUS Office of Capital Budgets upon notification of appropriation from the SUS Office of Capital Budgets.

At least 60 days before the university is ready to begin the design or construction phase of a TYPE TWO project, release of budget from the SUS Office of Capital Budgets is requested. This allows the SUS Office of Capital Budgets sufficient time to secure the encumbrance authorization from the Department of Education and to release the funds. The university must receive notification of the release prior to execution of the contract or purchase order.

**3. TYPE THREE** projects are funded from other university or external funds, e.g., auxiliary, contracts and grants, foundation funds, etc.

**COIP and Release Request.** The university submits Budget Amendment Summary and verification of funds to the Office of Capital Budgets in accordance with CM-D-38, Capital Outlay Implementation Plans, Budget Releases and Encumbrance Authorizations, for projects which require university capital outlay budget.

The SUS Office of Capital Budgets reviews the architectural and engineering components of the request with the SUS Office of Facilities Planning and submits the budget request to the Governor's Budget Office for approval. Upon approval of the budget request, the SUS

Office of Capital Budgets notifies the university of budget and release approval.

4. **TYPE FOUR** projects are those which are part of a project requiring a facility program but are identified in the program as separate projects (sub-projects) to be funded individually. These "sub-projects" may or may not be included as part of a project requiring an approved facility program.

TYPE FOUR projects must be identified on a project COIP. Once that COIP is approved, the university must request release of budget as described in the "release request" section for TYPE TWO projects.

**Selection of a Design Professional.** A project may be designed by a Continuing Contract Architect/Engineer, as provided in UCF-06, Architect/Engineer Selection Process, by in-house staff, or by an outside design professional selected as provided in UCF-06, Architect/Engineer Selection Process.

**Project Administration.** The university is responsible for the activation, approval, administration and budget control of projects. The university shall negotiate within the parameters of the Agreement with the Continuing Contract Professional for the individual projects. The university shall determine if the BOR Project Manual should be included as a part of the Contract Documents (i.e. contracts pursuant to Section 287.055, F.S., for continuing contracts, or if projects are proposed to be combined under one contract, thereby requiring an approved building program in accordance with Section 235.435, F.S.).

**Receipt of Bids and Award of Contract.** The university is responsible for the receipt and award of construction bids pursuant to Rule 6C-14.021, F.A.C., or pursuant to Rule Chapter 6C-18, F.A.C. The university shall secure performance and payment bonds for all projects exceeding \$100,000, and shall review and approve the contractor's insurance. For projects under \$100,000, bonds are not required, and the university shall follow the requirements of CM-N-20, Administering Unbonded Construction Projects. The university shall prepare and execute the contract and issue the Notice to Proceed to the contractor.

Contact:                      Gina Seabrook

Office of Facilities Planning  
(407) 823-2166  
Internet Address: [gseabroo@mail.ucf.edu](mailto:gseabroo@mail.ucf.edu)

Attachments



ATTACHMENT 4

ATTACHMENT 1

AWARD OF CONSTRUCTION CONTRACT

Date

Project Name:

BR #:

University:

Budget: \$ (construction amount on COIP at bid date)

On (date), bids were received for the above-referenced project within the approved budget for the base bid and alternates \_\_\_ through \_\_\_ (OR, ... for the base bid only) in the total amount of \$\_\_\_\_\_. The requirements for the Minority Business Enterprise Plan as set forth in the project specifications have been satisfied by the Contractor. The consulting architect/engineer and the University Facilities Office recommend the award of this contract to (legal name of firm).

Recommended by:

\_\_\_\_\_  
Director

\_\_\_\_\_  
Date

The contract is hereby awarded as recommended above:

Approved by:

\_\_\_\_\_  
President

\_\_\_\_\_  
Date

ATTACHMENT 4

Att. to UCF-13

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ATTACHMENT 4

ATTACHMENT 2

LETTER OF INTENDED DECISION  
(letter to the successful bidder awarding the project)

Date

Inside Address

RE: Project Name, No.  
University

Dear \_\_\_\_\_:

We are pleased to inform you that on (date), the President, on behalf of the Florida Board of Regents, awarded the construction contract for the referenced project to your firm. The contract awarded is in the amount of \$  
accepting the (Base Bid only or Base Bid and alternates ? through ?).

We look forward to working with your firm on this project.

Sincerely,

Director

(Initials)

cc: A/E Firm

ATTACHMENT 4

Att. to UCF-13  
ATTACHMENT 3

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LETTER OF INTENDED DECISION  
(letter to unsuccessful bidders regarding the award/protest period)

Date

Inside Address

RE: Project Name, No.  
University

Dear \_\_\_\_\_:

Please be advised that on (date), the President, on behalf of the Florida Board of Regents, awarded the construction contract for the referenced project to (company name). The contract awarded is in the amount of \$          , accepting the (Base Bid only or Base Bid and alternates   ?   through   ?  ).

On behalf of the Florida Board of Regents, you are advised that: "Failure to file a protest within the time prescribed in §120.57(3), Florida Statutes, shall constitute a waiver of proceedings under Chapter 120, Florida Statutes."

Sincerely,

Director

(Initials)

cc: A/E Firm

ATTACHMENT 4

Att. to UCF-13

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NOTICE TO PROCEED FOR GENERAL CONTRACTORS

Date

Inside Address

Re: Project Name  
BR#, University

Dear \_\_\_\_\_:

Enclosed is an executed contract, including performance and labor and material payment bonds. Please consider receipt of this letter as your formal NOTICE TO PROCEED with the contract work. (Effective NTP date) has been established as your contract commencement time.

(Modify this paragraph as necessary) If the preconstruction conference has not taken place already, one will be scheduled in the near future to resolve any questions which you may have and to outline administrative procedures for coordinating and expediting the work.

We look forward to working with you on this project.

Sincerely,

Director

(Initials)

Enclosures

cc: State Comptroller's Office, w/enclosure  
University Accounting Office, w/enclosure  
A/E firm, w/enclosure

ATTACHMENT 4

University Contract File, w/enclosure

Att. to UCF-13

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