

11.200 Construction Projects

11.201 Definitions. For this Regents Rule, the terms listed below have the following meaning:

1. “Major Project” means a) a New Construction Project, or Repair and Renovation Project with a total Project Cost of \$5,000,000 or more; b) any Project required by statute to be approved by student election; and c) regardless of dollar value, any Project specifically designated by the Board to be a Major Project.
2. “Minor Project” means any New Construction Project or Repair and Renovation Project with a total Project Cost of less than \$5,000,000.
3. “New Construction” means the creation of a new building, facility, or outdoor space; the addition to an existing building, facility, or outdoor space; or new infrastructure that does not currently exist on a campus or an offsite location owned or leased by a campus.
4. “Project” means the process of constructing, repairing, renovating, adding onto, or altering a campus building, facility, outdoor space, or its infrastructure, or acquiring new property.
5. “Project Cost” includes, but is not limited to, the cost of construction, installed equipment, architectural and engineering services, surveys, plans, specifications, site development and infrastructure, and other expenses required to complete a Project.
6. “Repair and Renovation” means construction upgrades to an existing building, facility, or outdoor space, or existing infrastructure, including the finish-out of shell space.
7. “Urgent Project” means a Major Project that cannot or should not, for good business reasons, be delayed until the next regularly scheduled Board meeting as determined by the Board Chairman in consultation with the Chancellor.

11.202 Capital Improvement Plan. The Capital Improvement Plan (Plan) shall provide a process of strategic capital project planning related to future development and preservation of construction programs and physical plants for the System Administration and each Institution and shall include a five-year projection of all Major Projects.

11.203 Valuation of a Project. If a Project is initiated with a good faith belief that the total Project Cost will not exceed \$5,000,000, and if at any time thereafter the Project budget is increased to meet the definition of a Major Project, then the Project must be included on the Capital Improvement Plan and the Plan must be approved by the Board prior to the increase in Project Costs being incurred.

Splitting Projects into a series of smaller design and construction projects for purposes of avoiding Board approval or System project administration is prohibited. This provision does not preclude organizing Major or Minor Projects into Phases with clearly defined scopes and schedules beginning in separate fiscal years, with appropriate Board communication, to accommodate schedules, campus needs, or funding limitations.

11.204 Urgent Projects or Unavoidable Project Cost Increases. The Chancellor or his designee may approve an amendment to the Capital Improvement Plan that would otherwise require Board approval in accordance with this Regents Rule for the following reasons:

- a. An Urgent Project;
- b. An unavoidable increase to a Major Project that is underway;
- c. An unavoidable increase to a Minor Project that is underway that elevates it to a Major Project.

In such cases, the amendment to the Capital Improvement Plan shall require ratification at the next Board of Regents meeting.

A cost shall be considered unavoidable if it addresses a previously unknown condition that cannot be managed with available resources or requirements deemed essential for the completion of a fully functional facility per the original project intent, or it would not be in the best interest of the System or Institution to delay or suspend construction. General changes in programming or scope are not considered unavoidable.

- 11.205 Feasibility and Planning. Contracts related to feasibility and planning are governed by Regents Rule 03.900. Feasibility and planning efforts that are intended to result in a Major Project are not required to be included in the Capital Improvement Plan.
- 11.206 Responsibility. The Vice Chancellor for Strategic Infrastructure shall develop and maintain the Capital Improvement Plan in coordination with the System Administration and the Institutions. The System Administration and each Institution shall adopt a capital planning process to provide input into development and maintenance of the Capital Improvement Plan.
- 11.207 Approval of the Annual Capital Improvement Plan. Annually, the Vice Chancellor for Strategic Infrastructure shall review the Capital Improvement Plan with the Chancellor and the Presidents. Upon approval by the Chancellor, the Capital Improvement Plan shall be submitted to the Board for approval. Throughout the year, any amendment of the Capital Improvement Plan requires approval of the Presidents, Chancellor and the Board.
- 11.208 Major Projects included in the Capital Improvement Plan. A Major Project included in the Capital Improvement Plan approved by the Board provides authority for the System Administration or Institution to expend funds up to the total Project Cost for that project as specified in the Capital Improvement Plan. With approval of the Chancellor, additional funds may be expended in an amount up to 5% in excess of the total Project Cost, but the excess amount must be reported in an amendment to the Capital Improvement Plan at the next regularly scheduled Board meeting. For Major Projects required by statute to be approved by student election, programming and preliminary design costs may be incurred after the Major Project has been included on a Capital Improvement Plan approved by the Board, but construction costs shall not be incurred until the Major Project has been approved by student election.
- 11.209 Minor Projects. Minor Projects and contracts related to Minor Projects are exempt from Board approval.
- 11.210 Program/Project Statements. Institutions are responsible for preparing, submitting, and maintaining Program/Project Statements that conform to the requirements of a System Construction Projects Handbook..
- 11.211 Delegations of Authority.

1. Project Management.
 - a. Minor Projects will be managed by the Institution.
 - b. Projects for System Administration and Major Projects for an Institution will be managed by the System Office of Strategic Infrastructure.
 - c. When in the best interest of the System and the Institution, the Vice Chancellor for Strategic Infrastructure may delegate management of Major Projects to an Institution. When in the best interest of the System, the Chancellor may delegate management of a Minor Project for an Institution to the System Office of Strategic Infrastructure. When in the best interest of an Institution, the President may request management of a Minor Project by the System Office of Strategic Infrastructure.
 - d. The Vice Chancellor for Strategic Infrastructure has the authority to establish or approve Project design and construction guidelines based on the applicable Master Plan, Capital Improvement Plan, and quality design and project implementation criteria for use in System Administration or Institution Projects.
 - e. Management of Projects includes responsibility for preparation of plans, specifications, and contract documents, and management of the construction, repair, or renovation related to the Project.
 - f. The Board delegates to the Chancellor authority to set Project management rates to be incorporated into Project budgets to support the System Office of Strategic Infrastructure.
2. Contracting Authority.
 - a. The System Office of Strategic Infrastructure has the authority to negotiate all contracts related to Major and Minor Projects subject to approval and signature by executives with appropriate authority.
 - b. Subject to the requirements of this Chapter, the Board delegates to the Chancellor and the

Deputy Chancellor authority to approve and sign all contracts related to Major Projects included in the approved Capital Improvement Plan and all contracts related to a Minor Project that is managed by the System Office of Strategic Infrastructure. For Minor Projects only with contracts with a value of \$1,000,000 or less, this authority may be further delegated.

Subject to the requirements of this Chapter, the Board delegates to each President and Vice President for Finance, for their respective Institutions, authority to approve and sign all contracts related to a Minor Project managed by the Institution. For contracts with a value of \$1,000,000 or less, this authority may be further delegated.

- 11.212 Texas Higher Education Coordinating Board. Projects shall be submitted to the Texas Higher Education Coordinating Board by the Vice Chancellor for Strategic Infrastructure as required by state law and regulations.
- 11.213 Construction Procurement Methods. The System Administration and the Institutions shall use only the procurement methods set forth in Chapter 51 of the Texas Education Code for all Projects.
- 11.214 Historically Underutilized Business Program. The System Administration and the Institutions shall seek the involvement of and make a good faith effort to promote the use of Historically Underutilized Businesses in its Projects as prime contractors, sub-contractors, and material suppliers.
- 11.215 Building Code. The System Administration and the Institutions shall follow the International Building Code (IBC) as the standard for Projects. The Chancellor shall designate one or more “Building Official(s)” as defined by the IBC. The Building Official shall have the authority to establish guidelines for selecting, interpreting, and amending the IBC for application at UNTS.
- 11.216 Naming. Buildings, facilities, structures, outdoor spaces, and other areas may be named as specified in Regents Rule 09.200.
- 11.217 Plaques. A commemorative plaque shall be placed on New Construction as determined by the Chancellor.
1. The plaque shall be inscribed with the following:

- a. the name of the building or facility;
 - b. the name of the architecture or design firm;
 - c. the name of the general contractor, construction manager at risk, construction manager-agent, or design build firm;
 - d. the month and year that the Board voted to authorize award of the construction contract; and
 - e. the year of the dedication ceremony.
2. The plaque also shall identify, as of the date the Board voted to authorize award of the construction contract, the following:
- a. the names of the Chairman and Vice Chairman of the Board, and the names of the other members of the Board, including the Student Regent, arranged in alphabetical order; and
 - b. the names of those occupying the positions of Chancellor and President.

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