



Dialogue

CAPITAL RESOURCE MANAGEMENT • BUDGET & CAPITAL RESOURCES • UC OFFICE OF THE PRESIDENT

Welcome to the first issue of Dialogue - a bi-monthly news bulletin from Capital Resource Management (CRM) at UCOP. The goal of Dialogue is to share information, improve communication and encourage collaboration with all of you.

CRM is comprised of Capital Planning, Real Estate, Physical and Environmental Planning, Sustainability, Architecture and Engineering, and Construction. Dialogue is being routed to all associated units on the campuses. It is our hope that this wider distribution will lead to a synergistic exchange between all disciplines and units within OP and at the campuses.

Dialogue is forward-looking. In addition to news, we include key dates of interest - Regents' items, annual reporting dates, training. Future publications will include contributions from units such as OGC, EH&S/Risk Services, and Capital Markets Finance.

We welcome your feedback and suggestions. Best wishes for the New Year!

Deborah Wylie
Associate Vice President, CRM



Business Case Analysis



On January 5, the OP-Campus Capital Program Leadership Forum endorsed guidelines and the format for Business Case Analyses. A Business Case Analysis is required for every project over \$10 million and should be undertaken at the earliest identification of program need.

Non-building solutions need to be thoroughly examined prior to a decision to build.

For projects that fall under the Delegated Process (less than \$60 million), the Chancellor will approve the Business Case Analysis based on the guidelines. For State-funded projects and projects over \$60 million, the President is to approve the Business Case Analysis prior to advancing any project recommendation to the Board for Budget approval.

D. Santa Cruz

CALGreen

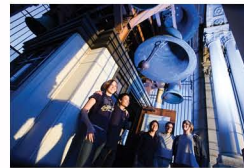
The nation's first statewide green building code, took effect January 1, 2011. This code is Part 11, Title 24, of the California Building Standards Code. All new university construction projects, with the exception of acute care hospitals, must comply with the mandatory requirements of CALGreen while also complying with the green building requirements of the UC Policy on Sustainable Practices.



We are currently developing a compliance pathway that will use LEED documentation submittals as a way to verify CALGreen compliance. We will be providing training in February and March that will focus on the most efficient way UC can implement CALGreen without a duplication of documentation.

T. Lamont

Early Notification Program



Beginning in February, a project Early Notification Program for the Regents is to be implemented. Campuses and OP will identify "high interest" projects, monitor project progress, and inform the Regents of issues that may

increase the cost of a project or, for other reasons, may make the project of interest to the Regents.

Factors that may be monitored include: scope, budget, or schedule changes; significant dependence on gift funding; project complexity; local community interest; or the historic or cultural significance of the building or site.

P. Romero

Proposition 218 Assessment Update

In September 2009, UC's position on payment of Proposition 218 assessments changed. Specifically, UC would no longer assert an exemption from assessments where UC received a "special benefit" and would pay such assessments, including past due amounts, while seeking release from any accrued penalties and interest.

At UCI, Ron Hooven notes "We found that assessments were made that were inappropriate since campus land received no special benefit and that even proper assessments were often not calculated correctly. While it required a lengthy negotiation process with the agencies involved, we were able to eliminate or reduce many assessments. We were also able to get all accrued penalties and interest canceled." For assistance with Prop 218 assessments contact the Real Estate Service Group or CRM.

G. Schanck



Best Value Method of Contractor Selection

The Best Value Pilot Program at UCSF that sunsets in 2012, resulted in successful cost-effective high-quality projects. CRM has proposed legislation that will make this program permanent and available at all UC Campuses.

T. Lamont

Private Activity

The University and the State are engaged in a comprehensive review that began last year of any "private activity" conducted in facilities financed with tax-exempt bonds. The effort is designed to confirm compliance with federal tax law. There are restrictions on "private activity" in facilities financed by tax-exempt financing. In general, any special legal entitlement (in terms of access or use) by an outside party may be considered "private activity" or private use.

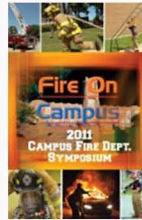
As a general matter, outside parties consist of private companies and certain non-profit organizations. Examples of private activity include: leasing or renting a portion of a facility to a private entity; selling or transferring ownership of a facility to a private entity; and management contracts such as for food services or parking. Federal research grants typically are not considered private activity.

Workshops on understanding "private activity" and guidance on how to manage it are planned for the spring.

P. Romero

OSFM, OSHPD MOUs

The Office of the State Fire Marshal (OSFM) and the University of California signed a new Memorandum of Understanding (MOU) that replaces the 2003 MOU. This MOU effectuates the provisions of UC sponsored Assembly Bill 2021 that authorizes the University, through a Lead Designated Campus Fire Marshal, to perform functions described in the MOU in lieu of these activities being performed by the OSFM. The MOU is in effect January 1, 2011 and is intended to remain in perpetuity or until cancelled by either party.



In addition, separate MOUs between the Office of Statewide Health Planning & Development and the UCSF Medical Center, the UCLA Medical Center and the UC Medical Center respectively have been signed. These individual MOUs replace the systemwide 2002 MOU and are valid for three years.

T. Lamont

Fourth Annual Mitigation Monitoring Report

The Fourth Annual Mitigation Monitoring Report, due to the legislature in March, is in preparation. This report covers the status of over 600 mitigation measures that are triggered when an impact occurs. Mitigation may take the form of impact avoidance measures such as dust control written into construction contracts or Transportation Demand Management. It should be noted that most mitigation measures require action by the University, and only a small number require that the University provide funds outright to local jurisdictions.

C. Strem

Capital Projects Institute aka "Collaborative"



CPI is the newly instituted training program. A Steering Committee has been established and an ambitious set of trainings is scheduled for 2011.

Of importance are Project Management in the UC Environment (PMUCE) CALGreen Compliance, ADA Code Updates and Stormwater Management. C. Hornbeck

4 STORMWATER MANAGEMENT TRAINING WEBINAR, OP
[HTTP://BUDGET.UCOP.EDU/DC/CPI/PMUCE.HTML](http://budget.ucop.edu/dc/cpi/pmuce.html)

16 PMUCE, UC IRVINE (CLASS FULL)
[HTTP://BUDGET.UCOP.EDU/DC/CPI/PMUCE.HTML](http://budget.ucop.edu/dc/cpi/pmuce.html)

23 UC-OSHPD BI-MONTHLY MEETING, UC SAN DIEGO

24 CALGREEN AND ADA COMPLIANCE, UC SAN FRANCISCO
[HTTP://BUDGET.UCOP.EDU/DC/CPI/CALGREEN.HTML](http://budget.ucop.edu/dc/cpi/calgreen.html)

8 CAPITAL PLANNING DIRECTORS BI-MONTHLY CALL

9 CALGREEN AND ADA COMPLIANCE, UC SAN DIEGO
[HTTP://BUDGET.UCOP.EDU/DC/CPI/CALGREEN.HTML](http://budget.ucop.edu/dc/cpi/calgreen.html)

15-17 REGENTS MEETING
UC SAN FRANCISCO

PRIVATE ACTIVITY TRAINING

UC CONSTRUCTION AND THE LAW PRESENTATION

JOB ORDER CONTRACT TRAINING

[2011 Department of Fish and Game Fees](#)

The fees are submitted with each Notice of Determination filed with the State Clearinghouse. NODs are not accepted without either a check or a receipt for prior payment. The fees, which went into effect January 1, 2011, are increased annually as a result of SB 1535 passed in 2006.

Environmental Impact Report
\$2,839.25

**Negative Declarations/
Mitigated Negative Declarations**
\$2,044.00