



Project Costs to Consider When Initiating a Project on the UO Campus

Before the *Design and Construction Office* prepares a preliminary budget for your remodel project, we would like to make you aware of the inherent costs which affect projects in publically owned buildings.

The University of Oregon is a public institution. As a public entity, and as stewards of our public buildings, we are required to abide by processes established by both the State of Oregon and the University of Oregon as an institution.

For example, all campus projects are influenced by *Bureau of Oregon Labor and Industry* (BOLI or prevailing wage) laws; public bidding and contracting rules and regulations along with their associated fees; and various internal campus design and construction support costs. Organizationally, it is important to note that when we conduct capital construction project on the University campus, keep in mind that the project budget addresses ALL costs (including UO staff time) associated with implementing the project.

We're providing the following information to better assist you as you plan your budget for a remodel project.

Design and Construction Services

The Design and Construction Office manages your project on behalf of the state and institution as well as you as the client. As a department within Campus Planning and Facilities Management (CPFM), your project funds pay for the many services provided by the Design and Construction (D/C) Office. Design and Construction is not a *centrally* funded organization. The services charged to your project are typically design, project management, project accounting, space planning, drafting, bidding, and contract services.

Project Design Consultation Services

Most projects implemented on campus usually require some level of professional design work governed by State and Federal law and/or by City of Eugene regulations. Architectural, mechanical, electrical, and/or structural engineering services likely are required. Complex building code issues that are inherent to commercial and institutional projects must be professionally examined to ensure building safety and code compliance.

Architectural work, interior design, and space planning is provided either in-house by the Design and Construction Office or by hiring outside design services. Our office will help determine the level of professional design services required based on your project needs.

Project Bidding and Contract Services Fees

All campus projects are subject to State and UO procurement regulations that require a competitive bid process. This process requires formal construction drawings and specification documents describing your project to the detail that will allow a contractor to assemble a fixed-fee bid. Several required bid documents are prepared in addition to the project documentation. From a project schedule perspective, the competitive bid process and the subsequent contract award process usually takes 4 weeks to complete. Your project funds pay for the Design and Construction project manager and contract services staff to prepare these documents on your behalf as part of their billable services to you.

Project Construction – Outside Services

Where work can't be performed by our Facility Services partners, outside contractors, and their sub-contractors are used for most projects on campus. Often during the construction phase, contractors need the support of Facility Services trades personnel.

Other Campus Technical Service Providers

Projects can't get designed or built without our in-house technical partners within our UO campus. Our partners include UO Planning, UO Facility Services maintenance trades personnel, UO Lock and Door, UOPD, Safety and Risk Services (SRS), Network Telecom Services (NTS), and Center for Media & Educational Technology (CMET). These units provide both design and physical services within our projects.

UO Planning: Campus Plan review, space planning, off-campus needs, surge space

Facility Services: Building maintenance; project maintainability review, Building Automation and installation

SRS: Fire life/ safety Review: fire sprinklers, fire alarm system, and code analysis, chemical inventories, hazardous materials disposal and inventory practices, lab safety, lab decommissioning, asbestos and lead surveys,

UO Lock and Door: Door specification, complete door hardware specifications and installation, access control, keys, storefronts, ADA door access

UOPD: Security and camera review, parking review

CMET: Classroom Audio Video specifications and installation, classroom pedagogy

NTS: Network and telecommunication specifications and installation

Hazardous Material Abatement Fees

Each project implemented on the UO Campus bears the responsibility of testing for and abating hazardous materials per state and federal regulations. For example, there are many asbestos-containing materials found in older carpet and sheet good adhesives or mastics. Tile flooring installed prior to the late 1970s likely contains asbestos. If your project scope includes removing old carpet and replacing it with new carpet, and if it's determined that the old tile underneath the carpet, the carpet glue, or the rubber base mastic contained asbestos, the cost of the asbestos abatement is the responsibility of the project paid by your project funds. Institutionally, this funding strategy is how abatement and other hazardous material mitigation are typically addressed on campus.

General Project Fees

Fees inherent to all remodel projects on Campus, depending on scope, typically include:

City of Eugene plan review fees

City of Eugene permit(s) fees

BOLI fees

Prevailing Wage fees

System Development Fees (City and/or UO)

BOLI, Prevailing Wage Fees, and Insurance Requirements

Public sector construction projects on campus fall into the category of prevailing wage work. Oregon State law applies prevailing wage rates through the Little Davis-Bacon Act that governs wages paid on public sector work. The established wage rates align with surveyed union wages enforced by the Oregon Bureau of Labor and Industries, or BOLI. In addition to prevailing wages, each contractor awarded a contract to do work on campus is subject to a minimum BOLI fee of \$250.

When compared to private sector non-prevailing wage commercial construction, project costs are usually 20% - 30% higher.

Whether an UO retained on non-retainer contractor, all contractors must have an Oregon Construction Contractor's Board (CCB) license to do work on campus. Contractors must also carry the required workers compensation, commercial general liability, and automobile liability insurance coverage. These rates are generally much higher than coverage required in the private sector.