Capital Construction Definition

State statute (CRS 24-75-301) defines capital construction as:

- Purchase of land regardless of value;
- Purchase, construction or demolition of buildings or other physical facilities, including utilities, or remodeling or renovating of existing buildings or other physical facilities to make physical changes necessitated by changes in the program. Changes in program may also incorporate the need to meet standards required by applicable codes; to improve energy conservation; to save costs for facility staffing, operations, or maintenance; or improve appearance;
- Site improvements or development;
- Purchase or installation of the fixed equipment necessary for the operation of new, remodeled, or renovated buildings and other physical facilities and the conduct of program initially housed therein upon completion of the new construction, renovation or remodeling;
- Purchase of services of architects, engineers, and other consultants to prepare plans, program documents, life-cycle cost studies, energy analysis, and other studies associated with any capital construction projects and to supervise construction or execution of such capital construction projects;
- Information technology if the cost exceeds $500,000;
- Preliminary planning including initial review of proposed projects.

Questions?

Answers to frequently asked questions can be found at:

http://fm.colorado.edu/planning/Capital_Construction/index.html

Capital Construction Process

The capital construction process is used to construct all buildings and renovations over $2,000,000 or that will involve debt financing of any amount. Much of the process is formalized by state statute, while other parts are institutionalized at the campus and university level.

Capital Construction Thresholds

There are differing capital construction processes depending on the anticipated total project cost.

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Getting Started

The first step in the capital construction project is discussing the project with, and gaining approval of, your chair, dean or vice chancellor. If the project is more than $2 million, a vice chancellor level discussion is required. This constitutes the first of several steps in the project approval process.

Facilities Planning staff will then assist you in:

- Conceptualizing a viable project;
- Presenting the finding to the Capital Finance Planning Group and Chancellor’s Cabinet;
- Developing fundraising studies if necessary; and
Capital Construction Process Phases for Projects over $2,000,000

**Project Initiation and Feasibility**
- Defines the basic scope and likely cost of the project.
- Informs the administration about the project.
- Secures campus administration approval to proceed with development of a program plan.

**Program Planning**
- Defines the programmatic requirements for the designer.
- Defines limits of work, including site and infrastructure requirements.
- Builds consensus as to scope, cost and time line of the project.
- Defines the financial plan and sources of funds.

**Approvals**
- Secures Approval from Board of Regents and CCHE.
- Incorporates project into larger capital financial planning of university and state.
- Develops support for the project at all levels of state government.
- Secures funding for State-funded project.

**Architect Selection**
- Selects the most-qualified architect and engineering firms to do the project.
- Encumbers money to begin the project.
- Contractors are selected for some delivery methods.

**Concept and Schematic Design**
- Confirms and enhances program plan requirements.
- Generates concept for final building.
- Provides room by room layout of spaces.
- Secures approval of DRB and review by BCPC of schematic plans.

**Design Development**
- Develops detailed room requirements.
- Integrates infrastructure systems into the building design.
- Provides pricing documents for contractor.
- Secures final DRB approval and other entitlements.

**Construction Documents**
- Translates the design intent into documents from which a builder can construct the project.
- Describes the quantity and quality of the materials to be provided by the contractor.
- Provides final estimates of the project prior to bidding.

**Bidding & Negotiation**
- Initiates procurement processes for all trades.
- Produces a final construction price.
- Contracts with builders to construct the project.

**Construction**
- Contractor constructs the project.
- FM ensures that the building is built per plans and specs and meets building codes.

**Occupancy and Warranty Period**
- The building is occupied by the users for which it has been designed.
- FM monitors the project to identify and correct any construction defects.

**Outcome:**
- Approval to prepare a Program Plan.
- Campus agreement on scope of project and a funding plan identifying sources of revenue.
- Authorization to begin expending money on a capital construction project.
- A design team is contracted to design the entire project.
- Schematic design is approved and project budget is confirmed.
- Design Development is approved within the contract budget.
- A complete set of plans and specifications is produced that describes the design fully.
- Final contract for construction is produced that describes the design fully.
- The project is realized.
- The building is accepted and available to move in.

**Legend**
- BCPC = Boulder Campus Planning Commission
- CCHE = Colorado Commission on Higher Ed.
- FM = Facilities Management