

UNIVERSITY OF VIRGINIA  
BOARD OF VISITORS AGENDA ITEM SUMMARY

BOARD MEETING: April 17, 2004

COMMITTEE: Full Board

AGENDA ITEM: Policy Discussion on Physical Planning and  
its Relationship to the Mission of the  
University

BACKGROUND: The University seeks to be one of the premier institutions of education and research. It has achieved this status in some academic areas, and not as yet in others. As recently as last October, the Board of Visitors discussed, and then acted upon, a set of recommendations related to academic and financial planning associated with achieving excellence in specific research areas. Planning in all areas of resource management is necessary both to achieve and to sustain excellence in universities. Also included in such comprehensive planning is land use and related physical planning. Academic, financial, and physical planning must work in close harmony in order to develop workable strategic plans that can accomplish institutional goals within the time and budget allotted.

Often times, the physical planning process is mistakenly viewed as a mere part of the capital project implementation process, when, in fact, it is essential to the very hallmarks of a successful university environment; i.e., one that fosters interchange and collaboration; supports exploration and change; and, provides for a safe and memorable haven for the student, the teacher, and the researcher over many decades. Successful university campuses are not accidental; but skillfully planned and enhanced as they mature and adapt to societal needs and ambitions. Land resources of universities have also been placed in service to provide additional collaborative opportunities with the private sector and/or to produce additional facilities or income streams to support the academic mission's various needs from research labs and faculty/student housing to complementary developments like specialized medical facilities, hotels, and conference centers.

The University of Virginia experiences all of these physical planning issues, from its world-renowned Academical Village to its research parks, teaching hospital, hotels, and golf course. While much has been carefully planned in the past, much has also been episodic in nature; i.e., not placed in the

context of the overall planning of the institution and the achievement of its goals in a comprehensive and efficient fashion.

A renewed effort is underway within the University of Virginia to plan more fully and comprehensively. It is now recognized what a significant role that land use and related physical planning must play in the future success of the University achieving its overall "Virginia 2020" goals of excellence in the arts, humanities, sciences, and other ancillary areas. The intent of this focus item is to engage the Board of Visitors in formulating the general approach and related policies to ensure a strong and vital physical planning role within the governance and leadership of the institution.

DISCUSSION: Overall land use planning and related physical planning, including historic preservation/conservation, architectural design, landscape design and related Grounds Plans and their specific guidelines, and related day-to-day implementation decisions are the responsibility of the Architect for the University. In addition, the liaison and collaboration with the various state and local agencies related to these areas are delegated to this Office. While the Vice President for Management and Budget has overall responsibility for budgetary planning, project management, maintenance, utilities, and other vital day-to-day operational issues, the Office of the Architect for the University is responsible for the primary collaboration and coordination with the other planning functions of the institution as it relates to physical planning.

In light of the new initiatives in research, health care, and housing, as well as the continued growth in the overall capital program and real estate endeavors, it is important for the Board of Visitors to reaffirm, and/or to modify appropriately several of its charges and policies related to land use and physical planning so as to strengthen the ability of the administration to plan comprehensively: academically, financially, and physically.

RECOMMENDATIONS FOR BOARD DISCUSSION: To be more effective and responsive to the demands for excellent physical planning within the framework established by the President and Board of Visitors, certain responsibilities and Board policies require review, establishment, and/or possible amendment. It is suggested that the Executive Vice President coordinate the review and consideration of the pertinent responsibilities and policies with the appropriate Board of Visitors committees and

University staff with the intent of bringing a final set of recommendations to the Board at its next meeting.

For purposes of discussion and to provide a starting point, certain recommendations are provided with this document. In each case, it is assumed that deliberation by the Board and its committees will occur before adoption.

A. BOARD COMMITTEE RESPONSIBILITIES: The following committee charges have been identified as candidates for amendment:

1. Capital Plan: The Board of Visitors is responsible for approving the Six Year Capital Projects Plan prior to submittal to the State of Virginia. Prior to this approval, the Committees for Educational Policy (academic projects), Buildings and Grounds (infrastructure projects), Medical Center Operating Board (hospital/clinical projects), and Student Affairs and Athletics (student activities and athletic/intramural projects) should endorse the programmatic concept for each proposed capital project (new or continuing). These actions will follow a thorough internal administrative review and recommendation of any capital project proposals by the Provost and the Executive Vice President and Chief Operating Officer to the President.

To support this activity, the President has instituted an Executive Capital Development Review Committee, which meets regularly to review both programs and funding proposals for capital projects, as well as to review progress of approved projects and their implementation.

The Board should determine which committee or committees should be charged with recommending the entire capital submission to the full Board.

2. Buildings and Grounds Committee Charge:

Consideration should be given to expanding and clarifying the charge to the Buildings and Grounds Committee in the Manual of the Board of Visitors. These changes must be considered and approved by the Board's Manual Revision Committee, but for purposes of discussion some suggested changes to the description of the duties of the Buildings and Grounds Committee are as follows:

## Section 3.22

The Buildings and Grounds Committee shall have responsibility in all matters relating to overall land use, landscape, physical plant, and infrastructure. It shall exercise oversight over the care, maintenance, conservation, and security of the University's buildings, grounds, and natural resources; the selection of architects, engineers, and builders for major projects, as well as the project management, construction, and naming of new major facilities; and such other matters relating to the buildings and grounds of the University as may come before it. On behalf of the Board, it shall approve major land use plans, as well as the site, design guidelines, and schematic design of new significant structures and landscapes, and shall make regular progress reports to the Board.

To support this expanded charge for the Buildings and Grounds Committee, the President and the Executive Vice President and Chief Operating Officer have clarified the scope of responsibilities of the Architect for the University to include a broader land use planning role with the University-Related Foundations. Additional staffing and other resources have been approved for the Office of the Architect for the University to professionally service these areas, as well as the general academic and ancillary functions. In addition, the responsibilities of historic preservation/ conservation have been delegated to this Office, along with the former curatorial positions.

B. POLICY REVISIONS: Several existing policies should be reviewed and possibly amended. In other cases, long-standing practices should be codified and made a consistent part of the physical planning and implementation process or new policies established. This section is intended to highlight several of these opportunities.

1. PROCEDURES FOR INVOLVEMENT BY THE BUILDINGS AND GROUNDS COMMITTEE IN DESIGN REVIEW OF CAPITAL PROJECTS: The Board policy entitled, "Procedure for Involvement by the Buildings and Grounds Committee in Design Review of Capital Projects" [APPENDIX A] should be considered for possible revision as follows:

a. In the title of the policy, replace the term "design review" with the term "development review."

b. Change the first stage review to be "Program, Site and Design Guidelines." This modification would allow the committee to set its expectations for a project more specifically so that those assigned to implement the project would be very clear regarding the three fundamentals for each project's development: full program scope, anticipated budget, and expected schedule. In addition, this would allow proper and appropriate benchmarking to occur in advance of the actual detailed programming and design phases.

c. Modify the review stages to incorporate a third stage of "Contract Review". This informs the Committee of the type of construction contract, the selected builder, the actual construction costs, the anticipated schedule to occupancy, and all other project costs, including contingencies. If significant augmentation in cost or change in scope is recommended, the Committee's action will be required before the contract is awarded.

Staff will be in place to support these changes.

2. FUNDING REQUIREMENT FOR PROJECT INITIATION: Current internal policy states that construction may only begin on a privately funded capital project when 100 percent of the required cash and enforceable pledges on a present value basis are in hand and 100 percent of the cash is projected to be in hand prior to the completion of construction. The Board should review this practice and consider ratifying the policy to provide clear and consistent expectations to those planning privately funded projects.

3. SELECTION OF ARCHITECTS, ENGINEERS, AND BUILDERS: The selection process for architects, engineers, and builders, as it relates to the Buildings and Grounds Committee should be considered for modification as follows:

a. The Architect for the University will be responsible for the management of the selection process and recommendation for contract approval of all consultant architects and landscape architects to the Executive Vice President and Chief Operating Officer. This delegation includes contracts for all new buildings, additions to existing buildings, exterior modification of existing buildings, historic preservation/conservation projects, major landscape projects, and site furnishing projects of \$5 million or less. The Architect for the University will provide a report on the

selection process to the Committee Chair (or to the Committee) for review and approval of all projects in excess of \$5 million project cost.

b. The Vice President for Management and Budget will be responsible for the management of the selection process and recommendation for contract approval of all engineers and builders to the Executive Vice President and Chief Operating Officer. This delegation includes the design of specific engineering and infrastructure projects and the construction of all capital projects of \$5 million or less. The Vice President for Management and Budget will provide a report on either of these selection processes to the Committee Chair (or to the Committee) for review and approval of all projects in excess of \$5 million project cost.

Existing staff is in place to support these changes.

4. UNIVERSITY LAND USE AND CENTRAL GROUNDS PLANS: The Architect for the University should provide an annual status report on the Overall Land Use and Central Grounds Plans for the University, and submit, for committee review and approval, any proposed major modifications to the currently approved plans. The Board should consider establishing a policy that calls for this annual report and amend the responsibilities of the Buildings and Grounds Committee to review and approve the Overall Land Use and Central Grounds Plans.

Staff will be in place within the Office of the Architect for the University to support these efforts within the next six months. Actual new/revised Land Use and Central Grounds Plans are beginning, but will not be ready for review for twelve to eighteen months.

5. ESTABLISHMENT OF FUNDING EXPECTATIONS FOR OPERATIONS OF NEW CAPITAL FACILITIES: Capital projects undertaken by the University involve not only the initial investment to construct a new facility or renovate an existing structure but also the requirement for ongoing operating costs. Current practice is inconsistent in the way funding of operating costs is addressed.

Consideration should be given to creating a policy that endowments or other established revenue streams be identified, created and/or confirmed before a commitment is made to undertake a new capital project. Failure to do so may obligate the institution to future funding requirements that it does not

have the capability to assume without adversely impacting existing University operations.

## APPENDIX A

Procedure for Involvement by the Buildings and Grounds Committee  
in Design Review of Capital Projects

1. The Buildings and Grounds Committee shall meet as required with the Architect for the University to review, at the Committee's discretion, any or all of the building projects currently underway, at the two design stages designated by the Committee: Architectural Design Guidelines and Schematic Design.
2. A quorum of the Buildings and Grounds Committee will have the authority to grant approval to projects at any design review stage with the understanding that projects identified by the Chair as being major and/or particularly sensitive will be brought to the Committee for its review and approval during a regular meeting of the Board of Visitors.
3. The Buildings and Grounds Committee will report all of its actions to the Board of Visitors at its next regular meeting; and the Buildings and Grounds Committee may instruct the Chair that it desires to review particular projects only at regular meetings of the Board.
4. Projects failing to win approval at any design review stage from the Buildings and Grounds Committee will be referred back to the Architect for the University for further development.