



**Testimony supporting HB 2429  
Senate Ways and Means**

**Jim Modig, University Architect/Director  
KU Office of Design and Construction Management  
March 2, 2012**

Senator McGinn and members of the committee, I'm Jim Modig, University Architect/Director of Design and Construction Management at the University of Kansas. I appreciate the opportunity to speak in support of HB 2429 which eliminates the sunset provision of K.S.A. 76-7,125 *et seq.*, the State Educational Institution Project Delivery Construction Procurement Act (Regents Project Procurement Act). The statute was established during the 2009 legislative session, with the goal of providing more efficient and cost effective delivery of construction projects for Non-State funded projects.

Before the new project procurement process could be initiated, procedures and contracts needed to be developed. The Board of Regents and Campus Architects spent the first year developing the procedures, template contracts and associated provisions. Year two was the first opportunity to exercise the new process and contracts. As we began using this new process, we discovered and made a number of adjustments that were needed to make the process more equitable and manageable for the universities, contractors, architects and engineers. Our thanks and appreciation goes out to the members of the Associated General Contractors (AGC), American Institute of Architects (AIA) and the American Council of Engineering Companies (ACEC) while we worked through the trial run of the contracts. Through a series of meetings with the campus architects, AGC, AIA, ACEC and OFPM we revised the template contracts and associated provisions, and we now have a very good set of documents and procedures in support of the statute.

In the last year and a half the University of Kansas has processed 38 projects totaling almost \$40,000,000 utilizing the Regents Project Procurement Act. In comparison we have processed 11 projects totaling \$42 million in projects (includes new School of Pharmacy) utilizing the State's process. Early metrics of performance on the Lawrence Campus demonstrate an average savings of four months in the hiring of the consultants to award of the contracts to start construction. Now that the process and contracts have been established, we would anticipate the efficiency of this process will only continue to improve.

Assuming inflation is 3% per year, inflation on \$40 mil is \$100,000 per month. Using the current average savings of 4 months in the process of contracting, this resulted in a savings of roughly \$400,000, which provides greater purchasing power for the universities. We estimated saving about \$400,000 on the initial \$40 mil of projects which utilized the Regents Project Procurement Act.

If HB 2429 is enacted, this will allow the Regents State Educational Institutions to continue to effectively and efficiently leverage the inflationary cost savings on Non-State funded projects.

Thank you for the opportunity to comment in support of the bill. I stand ready for any questions.

Senate Ways and Means

Date: 03-02-2012

Attachment:

7