PRELIMINARY PLANS REVIEW **6851**
(Revised 5/98)

What are preliminary plans? Preliminary plans are the initial design phase in preparing the construction bidding documents. The discussion in this section applies to the design-bid-build process used for most state projects (Section 6841).

These documents are developed from the information contained in the budget package. Typically the preliminary plans are developed in two distinct steps referred to as schematics and design development. The two-step process allows the department and architect/engineer to interact before the design is developed, helping to ensure a mutual understanding of the design objectives, limitations and budget.

1. **Schematic documents**: Schematic documents are the initial architectural and engineering plans prepared during the preliminary plan phase, depicting the designer's conceptual solution to project needs. The major difference compared with design documents is the amount of detail.

2. **Design documents**: These are the final documents which result from the preliminary plan phase, defined by Section 3.00 of the Budget Act as a site plan, architectural floor plans, elevations and a cost estimate. For each utility, site development, conversion, and remodeling project, the drawings must be sufficiently descriptive to convey accurately the location, scope, cost, and the nature of the improvement being proposed.

Beginning and end of phase: If a department contracts with DGS for project management, the preliminary plans phase starts with the request to DOF to release funds for preliminary plans funds using a Form 22 or a GS-OSA 220 for bond items (6868 Illustrations 1 and 2). Upon approval of the release of funds, the design/construction administrator has the design prepared either by state personnel or through contracts with private sector architects/engineers. This phase ends when PWB approves the preliminary plans. An overview of all capital outlay phases is provided in Section 6808.

Client department's role: The client department is responsible for obtaining PWB review and approval of preliminary plans *prior to* expenditure of appropriated funds for subsequent phases. When requesting approval of preliminary plans, the client department must either:

1. Certify on the DF-14D that all present and future phases will be within scope and cost per supplemental budget language and legislatively-approved COBCPs; or

2. Request adjustment through the appropriate change process (Section 6861 discusses cost increases; Section 6863 discusses scope changes).

In addition, the client department must demonstrate that it has met environmental requirements for the project before PWB will approve preliminary plans (Section 6850).

Departments are reminded not to start preliminary plans (or any other phase) with any funds other than the approved phase appropriation or in advance of DOF authorization of a DF-14D.

PWB's role/restrictions related to preliminary plan approval: Section 13332.11 (a) of the Government Code requires both DOF and PWB to approve all preliminary plans to ensure that projects proceeding to working drawings and construction are consistent with legislatively approved cost and scope. Section 13332.11 (g) requires the board to defer action with respect to approval of preliminary plans if the estimated cost of the project exceeds 20 percent of the amount appropriated.

If construction has not yet been appropriated, there is no requirement under statute for the board to defer action on the preliminary plans. However, PWB will calculate the project's estimated percentage increase based on the last legislatively recognized project cost. Depending upon the circumstances, it is generally board practice to defer action and notify the Legislature when such increases are estimated to exceed 20 percent.

Value engineering may be required before PWB considers a request for a recognized deficit: If a project is expected to exceed cost based on the preliminary plans, PWB may require value engineering to determine cost savings strategies *before* it will recognize a potential deficit. The principal concepts which underlie the value engineering methodology are function, cost, and worth. The approach is to analyze the functional requirements of a project's materials, methods, components and subsystems in order to explore alternate solutions which improve project efficiency without reducing program value. During this process, all expenditures relating to design, construction, maintenance, operation, replacement, etc., are considered.

Mandatory review approvals: Various statutes require that certain elements of preliminary plans and working drawings be reviewed by oversight agencies before proceeding to bid. Examples of possible mandatory reviews at the preliminary plans stage include the State Fire Marshal, the California Coastal Commission, and the State Historic Preservation Officer. (Note: mandatory review approvals must be identified in the COBCP per Section 6818.)

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PWB agenda package for preliminary plans: When submitting requests for approval of preliminary plans, provide the following:

1. All information requested in Section 6845, including both the standard fiscal reporting requirements and the agenda package;
2. A completed, dated set of preliminary plans, outline specifications, and a cost estimate (note: all department-retained funds and federal or other non-state funds contributing to the total project costs must be accounted for);
3. For proposed cost increases, the information required in Section 6861;
4. For proposed scope changes, the information required in Section 6863;
5. A "*Public Works Project Authorization and Transfer Request"*—Form 22 (6868 Illustration 1) for the working drawings phase. Projects financed from bond funds use a different transfer form (GS-OSA 220, 6868 Illustration 2); and
6. Evidence of CEQA compliance per Section 6850, such as a copy of the *filed* Negative Declaration.

Preliminary plans presentation meeting: Client departments must present their preliminary plans to PWB staff in a *plans review meeting* before PWB staff will consider a request for plans approval. This meeting must occur prior to the screening meeting for that month's agenda. The purpose of the meeting is to verify that the project is within scope based on document review.

After the board has approved preliminary plans: DOF will sign copies of the DF-14D and Form 22 and return them to the client department for distribution to DGS and SCO. Time-frames for submitting requests for preliminary plans approval to board staff are presented in Section 6843.

Approved preliminary plans become the final definition of project scope: For most projects, scope is initially defined in the COBCP and published in supplemental language to the Budget Act. The preliminary plans and specifications, as approved by the PWB, later become the final definition of the approved scope of the project. Scope changes to these documents must be specifically approved by DOF in writing *before* the department can make additional expenditures to revise the plans or to redesign the project, unless such changes are authorized in the Budget Act or other subsequent legislation (Government Code Section 13332.11 [b]). Scope changes are discussed in Section 6863.