

University of Minnesota

Best Value Achieves Cost Savings in Capital Projects Program

Implementation: 2005 – 2012



In 2005, the [University of Minnesota Capital Planning and Project Management](#) (CPPM) partnered with the PBSRG to increase the efficiency of the delivery of construction for the University's Twin Cities Campus. In 2007, after 2 years of testing, UMN-CPPM made the PIPS program a standard procurement option available on all projects. This decision was made in part due to the high performance results of the pilot program. A year later, the UMN-CPPM expanded the use of the program to include professional services (architectural, engineering, and consulting).

Testimonial: *"This is one of the most logical, streamlined, factually based processes that actually measures performance that I have seen."* - Michael Perkins.

320	Projects procured and run using Best Value
\$238 M	Total estimated budget of projects
\$119.5 M	Total awarded cost of projects
99%	Projects completed without vendor cost increases
51%	Procurements where Best Value was also lowest cost
9.6 / 10	Final post-project close out ratings of Best Value
31%	Percent saved off total expected construction spend (\$42M)

An Interview with Michael Perkins, Associate VP for Capital Planning & Project Management is available at www.pbsrg.com

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