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#### **HOUSE BILL 412**

45TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2002

### INTRODUCED BY

## Lorenzo A. Larranaga

## AN ACT

RELATING TO PUBLIC WORKS; LOWERING THE MAXIMUM ALLOWABLE CONSTRUCTION COST ON DESIGN AND BUILD PROJECTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 13-1-119.1 NMSA 1978 (being Laws 1997, Chapter 171, Section 5, as amended) is amended to read:

"13-1-119. 1. PUBLIC WORKS PROJECT DELIVERY SYSTEM--DESIGN AND BUILD PROJECTS AUTHORIZED. --

A. Except for road and highway construction or reconstruction projects, a design and build project delivery system may be authorized when the state purchasing agent or a central purchasing office makes a determination in writing that it is appropriate and in the best interest of the state or local public body to use the system on a specific project with a maximum allowable construction cost of more than [ten

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million dollars (\$10,000,000)] two million dollars
(\$2,000,000). The determination shall be issued only after
the state purchasing or central purchasing office has taken
into consideration the following criteria, which shall be used
as the $\min nimum$ basis in determining when to use the design and
build process:
(1) the extent to which the project

- requirements have been or can be adequately defined;
- **(2)** time constraints for delivery of the project;
- the capability and experience of (3) potential teams with the design and build process;
- **(4)** the suitability of the project for use of the design and build process as concerns time, schedule, costs and quality; and
- the capability of the using agency to **(5)** manage the project, including experienced personnel or outside consultants, and to oversee the project with persons who are familiar with the design and build process.
- B. When a determination has been made by the state purchasing agent or a central purchasing office that it is appropriate to use a design and build project delivery system, the design and build team shall include, as needed, a New Mexico registered engineer or architect and a contractor properly licensed in New Mexico for the type of work required.

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- C. Except as provided in Subsections F and G of this section, for each proposed state or local public works design and build project, a two-phase procedure for awarding design and build contracts shall be adopted and shall include at a minimum the following:
- (1) during phase one, and prior to solicitation, documents shall be prepared for a request for qualifications by a registered engineer or architect, either in-house or selected in accordance with Sections 13-1-120 through 13-1-124 NMSA 1978, and shall include minimum qualifications, a scope of work statement and schedule, documents defining the project requirements, the composition of the selection committee and a description of the phase-two requirements and subsequent management needed to bring the project to completion. Design and build qualifications of responding firms shall be evaluated and a maximum of five firms shall be short-listed in accordance with technical and qualifications-based criteria; and
- (2) during phase two, the short-listed firms shall be invited to submit detailed specific technical concepts or solutions, costs and scheduling. Unsuccessful firms may be paid a stipend to cover proposal expenses. After evaluation of these submissions, selection shall be made and the contract awarded to the highest ranked firm.
- D. Except as provided in Subsections F and G of . 140849.1

this section, to ensure fair, uniform, clear and effective procedures that will strive for the delivery of a quality project on time and within budget, the secretary, in conjunction with the appropriate and affected professional associations and contractors, shall promulgate [regulations] rules applicable to all using agencies, which shall be followed by all using agencies when procuring a design and build project delivery system.

- E. A state agency shall make the decision on a design and build project delivery system for a state public works project, and a local public body shall make that decision for a local public works project. A state agency shall not make the decision on a design and build project delivery system for a local public works project.
- F. The requirements of Subsections C and D of this section and the minimum construction cost requirement of Subsection A of this section do not apply to a design and build project delivery system and the services procured for the project if:
- $(1) \quad \text{the maximum allowable construction cost} \\$  of the project is two hundred thousand dollars (\$200,000) or less; and
- (2) the only requirement for architects, engineers, landscape architects or surveyors is limited to either site improvements or adaption for a pre-engineered . 140849.1

building or system.

G. The procurement of a design and build project delivery system qualifying for exemptions pursuant to Subsection F of this section, including the services of any architect, engineer, landscape architect, construction manager or surveyor needed for the project, shall be accomplished by competitive sealed bids pursuant to Sections 13-1-102 through 13-1-110 NMSA 1978."

Section 2. EFFECTIVE DATE. -- The effective date of the provisions of this act is July 1, 2002.

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