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SENATE BILL NO. 1153

Offered January 9, 2019

Prefiled January 2, 2019

A *BILL to amend and reenact § 2.2-4303.2 of the Code of Virginia, relating to the Virginia Public Procurement Act; job order contracting; limitations.*

Patrons—Black; Delegate: LaRock

Referred to Committee on General Laws and Technology

Be it enacted by the General Assembly of Virginia:

1. That § 2.2-4303.2 of the Code of Virginia is amended and reenacted as follows:

§ 2.2-4303.2. Job order contracting; limitations.

A. A job order contract may be awarded by a public body for multiple jobs, provided (i) the jobs require similar experience and expertise, (ii) the nature of the jobs is clearly identified in the solicitation, and (iii) the contract is limited to a term of one year or when the cumulative total project fees reach the maximum authorized in this section, whichever occurs first. Contractors may be selected through either competitive sealed bidding or competitive negotiation.

B. Such contracts may be renewable for two additional one-year terms at the option of the public body. The fair and reasonable prices as negotiated shall be used in determining the cost of each job performed, and the sum of all jobs performed in a one-year contract term shall not exceed \$5 million the maximum threshold amount.

Beginning on July 1, 2019, the maximum threshold amount shall be \$7 million.

On July 1 of each year thereafter, the maximum threshold amount shall be calculated as the maximum threshold amount from the previous year multiplied by the annual inflation rate in the most recent Construction Cost Index (CCI) for the 20-city average published in the Engineering News-Record (ENR).

~~Individual~~ Notwithstanding the maximum threshold amount, no individual job orders order shall not exceed \$500,000.

C. For the purposes of this section, any unused amounts from one contract term shall not be carried forward to any additional term.

D. Order splitting with the intent of keeping a job order under the maximum dollar amounts prescribed in subsection B is prohibited.

E. No public body shall issue or use a job order, under a job order contract, solely for the purpose of receiving professional architectural or engineering services that constitute the practice of architecture or the practice of engineering as those terms are defined in § 54.1-400. However, professional architectural or engineering services may be included on a job order where such professional services (i) are incidental and directly related to the job, (ii) do not exceed \$25,000 per job order, and (iii) do not exceed \$75,000 per contract term.

F. Job order contracting shall not be used for construction, maintenance, or asset management services for a highway, bridge, tunnel, or overpass. *However, job order contracting may be used for safety improvements or traffic calming measures that have been (i) recommended as part of a professional engineering analysis and (ii) approved or endorsed by the Virginia Department of Transportation.*

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