## 1995 SESSION

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## **HOUSE JOINT RESOLUTION NO. 643**

Offered January 23, 1995

Establishing a joint subcommittee to study the effect of authorizing design-build and construction management contracts for public bodies.

Patrons-Woodrum, DeBoer, Diamonstein, Hull, May and Wagner; Senators: Calhoun, Colgan, Nolen and Ouayle

## Referred to Committee on Rules

11 WHEREAS, the Virginia Public Procurement Act is designed, in part, so that "public bodies in the Commonwealth obtain high quality goods and services at reasonable cost . . . "; and 12

WHEREAS, the procurement of goods services by competitive sealed bidding and competitive 13 14 negotiation fosters competition among qualified vendors and helps ensure that public bodies receive the 15 highest quality for the lowest prices; and

WHEREAS, the Act provides that public bodies shall procure goods and nonprofessional services 16 17 related to construction through competitive sealed bidding and services of design professionals through competitive negotiation; and 18

WHEREAS, the Act has been amended on occasion to allow certain public bodies other than the 19 20 Commonwealth to avoid the competitive sealed bidding and competitive negotiation processes by 21 entering into contracts for specified construction projects on a fixed price design-build basis or 22 construction management basis, with the provision that such public bodies are not required to award a 23 design-build contract to the lowest bidder; and

24 WHEREAS, public bodies annually request the General Assembly to further amend the Act by 25 adopting additional exceptions to the competitive procurement processes for public construction projects; 26 and

27 WHEREAS, there has been no examination of the short-term and long-term consequences of such 28 exceptions for design-build and construction management contracts and the resulting impact on the 29 expenditure of public funds for such construction projects; and

30 WHEREAS, the authority of public bodies other than the Commonwealth to avoid the competitive sealed bidding and competitive negotiation processes by entering into contracts on a fixed price 31 design-build basis or construction management basis should be examined for consistency with the best 32 governmental procurement policies which promote the availability and retention of high quality goods 33 34 and services at reasonable cost from qualified vendors bidding in a competitive environment and also for 35 consistency with the short-term and long-term interests of public bodies in the expenditure of public 36 funds for construction projects; now, therefore, be it

37 RESOLVED by the House of Delegates, the Senate concurring, that a joint subcommittee be 38 established to study the effect of exceptions to procurement by competitive sealed bidding and 39 competitive negotiation, which exceptions authorize public bodies other than the Commonwealth to enter 40 into contracts for construction projects on a fixed price design-build basis or construction management 41 basis.

42 The joint subcommittee shall consist of nine members to be appointed as follows: four members of 43 the House General Laws Committee to be appointed by the Speaker of the House; two members of the Senate General Laws Committee to be appointed by the Senate Committee on Privileges and Elections; 44 and three citizen members to be appointed by the Governor as follows: one member who is a 45 Virginia-licensed architect or engineer employed in the private sector, one from the general contractor 46 47 community and one from a local public body.

The Division of Legislative Services shall provide staff support for the study. All agencies of the **48** 49 Commonwealth shall provide assistance to the joint subcommittee, upon request. 50

The direct costs of this study shall not exceed \$4,800.

51 The joint subcommittee shall complete its work in time to submit its findings and recommendations to the Governor and the 1996 Session of the General Assembly as provided in the procedures of the 52 53 Division of Legislative Automated Systems for the processing of legislative documents.

54 Implementation of this resolution is subject to subsequent approval and a certification by the Joint Rules Committee. The Committee may withhold expenditures or delay the period for the conduct of the 55 56 study.

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