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**HOUSE JOINT RESOLUTION NO. 643**  
**AMENDMENT IN THE NATURE OF A SUBSTITUTE**  
(Proposed by the House Committee on Rules  
on February 2, 1995)

(Patron Prior to Substitute—Delegate Woodrum)

*Establishing a select joint subcommittee of the House Committee on General Laws and the Senate Committee on General Laws to study the effect of authorizing design-build and construction management contracts for public bodies.*

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

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

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

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

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

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

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, design-build basis or construction management basis should be examined for consistency with the best governmental procurement policies which promote the availability and retention of high quality goods and services at reasonable cost from qualified vendors bidding in a competitive environment and also for consistency with the short-term and long-term interests of public bodies in the expenditure of public funds for construction projects; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That a select joint subcommittee of the House Committee on General Laws and the Senate Committee on General Laws be established to study the effect of authorizing design-build and construction management contracts for public bodies. The select joint subcommittee shall examine the effect of exceptions to procurement by competitive sealed bidding and competitive negotiation, and determine which exceptions authorize public bodies other than the Commonwealth to enter into contracts for construction projects on a fixed-price, design-build basis or construction management basis.

The select joint subcommittee shall consist of nine members to be appointed as follows: five members of the House Committee on General Laws to be appointed by the Speaker of the House and four members of the Senate Committee on General Laws to be appointed by the Senate Committee on Privileges and Elections. The select joint subcommittee may seek technical assistance from Virginia-licensed architects or engineers employed in the private sector, in the general contractor community, or by a local public body.

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

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

The select 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 Division of Legislative Automated Systems for the processing of legislative documents.

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 study.

HOUSE SUBSTITUTE

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