

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 2.2-4382 of the Code of Virginia, relating to Virginia Public*
3 *Procurement Act; construction management; contract requirements.*

4 [S 1491]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 2.2-4382 of the Code of Virginia is amended and reenacted as follows:**8 **§ 2.2-4382. Design-build or construction management contracts for local public bodies**
9 **authorized.**10 A. Any local public body may enter into a contract for construction on a fixed price or not-to-exceed
11 price construction management or design-build basis, provided that the local public body (i) complies
12 with the requirements of this article and (ii) has by ordinance or resolution implemented procedures
13 consistent with the procedures adopted by the Secretary of Administration for utilizing construction
14 management or design-build contracts.15 B. Prior to making a determination as to the use of construction management or design-build for a
16 specific construction project, a local public body shall have in its employ or under contract a licensed
17 architect or engineer with professional competence appropriate to the project who shall (i) advise such
18 public body regarding the use of construction management or design-build for that project and (ii) assist
19 such public body with the preparation of the Request for Proposal and the evaluation of such proposals.20 C. A written determination shall be made in advance by the local public body that competitive sealed
21 bidding is not practicable or fiscally advantageous, and such writing shall document the basis for the
22 determination to utilize construction management or design-build. The determination shall be included in
23 the Request for Qualifications and be maintained in the procurement file.24 D. Procedures adopted by a local public body for construction management pursuant to this article
25 shall include the following requirements:26 1. Construction management may be utilized on projects where the project cost is expected to be less
27 than the project cost threshold established in the procedures adopted by the Secretary of Administration
28 for utilizing construction management contracts, provided that (i) the project is a complex project and
29 (ii) the project procurement method is approved by the local governing body. The written approval of
30 the governing body shall be maintained in the procurement file;31 2. Public notice of the Request for Qualifications is posted on the Department's central electronic
32 procurement website, known as eVA, at least 30 days prior to the date set for receipt of qualification
33 proposals;34 3. The construction management contract is entered into no later than the completion of the
35 schematic phase of design, unless prohibited by authorization of funding restrictions;36 4. Prior construction management or design-build experience or previous experience with the
37 Department's Bureau of Capital Outlay Management shall not be required as a prerequisite for award of
38 a contract. However, in the selection of a contractor, the local public body may consider the experience
39 of each contractor on comparable projects;40 5. Construction management contracts shall require that (i) no more than 10 percent of the
41 construction work, as measured by the cost of the work, be performed by the construction manager with
42 its own forces and (ii) the remaining 90 percent of the construction work, as measured by the cost of
43 the work, be performed by subcontractors of the construction manager, which the construction manager
44 shall procure by publicly advertised, competitive sealed bidding to the maximum extent practicable. *The*
45 *provisions of this subdivision shall not apply to construction management contracts involving*
46 *infrastructure projects;*

47 6. The procedures allow for a two-step competitive negotiation process; and

48 7. Price is a critical basis for award of the contract.

49 E. Procedures adopted by a local public body for design-build construction projects shall include a
50 two-step competitive negotiation process consistent with the standards established by the Division of
51 Engineering and Buildings of the Department for state public bodies.