By: Ratliff S.B. No. 1331

A BILL TO BE ENTITLED

1 AN ACT 2 relating to procurement procedures for construction-related services for public school districts, institutions of higher 3 education, and the Texas Building and Procurement Commission. 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 5 6 SECTION 1. Subchapter F, Chapter 2166, Government Code, is 7 amended by adding Section 2166.2535 to read as follows: Sec. 2166.2535. CONSTRUCTION MANAGER-AGENT. (a) The 8 commission may use the construction manager-agent method for a 9 10 project. In using that method and in entering into a contract for the services of a construction manager-agent, the commission shall 11 12 follow the procedures prescribed by this section. 13 (b) A construction manager-agent is a sole proprietorship, partnership, corporation, or other legal entity that provides 14 consultation to the <u>commission</u> regarding construction, 15 rehabilitation, alteration, or repair of a facility. 16 17 commission, when using the construction manager-agent method, may, under the contract between the commission and the construction 18 manager-agent, require the construction manager-agent to provide 19 administrative personnel, equipment necessary to perform duties 20 under this section, and on-site management and other services 21

specified in the contract. A construction manager-agent represents

(c) Before or concurrently with selecting a construction

the commission in a fiduciary capacity.

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- manager-agent, the commission shall select or designate an engineer 1 2 or architect who shall prepare the construction documents for the 3 project and who has full responsibility for complying with Chapter 1001 or 1051, Occupations Code, as applicable. If the engineer or 4 architect is not a full-time employee of the commission, the 5 6 commission shall select the engineer or architect on the basis of 7 demonstrated competence and qualifications as provided by Section 8 2254.004. A commission engineer or architect may not serve, alone or in combination with another person, as the construction 9 manager-agent unless the engineer or architect is hired to serve as 10 11 the construction manager-agent under a separate or concurrent procurement conducted in accordance with this subchapter. This 12 subsection does not prohibit a commission engineer or architect 13 from providing customary construction phase services under the 14 15 engineer's or architect's original professional service agreement 16 in accordance with applicable licensing laws.
- 17 <u>(d) The commission shall select a construction</u>
 18 <u>manager-agent on the basis of demonstrated competence and</u>
 19 <u>qualifications in the same manner as provided for the selection of</u>
 20 engineers or architects under Section 2254.004.

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- (e) When using the construction manager-agent method, the commission shall procure, in accordance with applicable law and in any manner authorized by this chapter, a general contractor, trade contractors, or subcontractors who will serve as the prime contractor for their specific portion of the work.
- 26 <u>(f) The commission or the construction manager-agent shall</u> 27 procure in accordance with Section 2254.004 all of the testing of

- 1 construction materials engineering, the inspection services, and
- 2 the verification testing services necessary for acceptance of the
- 3 facility by the commission.
- 4 SECTION 2. Subsection (c), Section 2166.2532, Government
- 5 Code, is amended to read as follows:
- (c) Before or concurrently with selecting a construction 6 7 manager-at-risk, the commission shall select or designate an engineer or architect who shall prepare the construction documents 8 9 for the project and who has full responsibility for complying with 10 Chapter 1001 or 1051, Occupations Code [The Texas Engineering Practice Act (Article 3271a, Vernon's Texas Civil Statutes) or 11 Chapter 478, Acts of the 45th Legislature, Regular Session, 1937 12 (Article 249a, Vernon's Texas Civil Statutes)], as applicable. If 13 the engineer or architect is not a full-time employee of the 14 15 commission, the commission shall select the engineer or architect on the basis of demonstrated competence and qualifications as 16 provided by Section 2254.004. The commission's engineer or 17 architect for a project may not serve, alone or in combination with 18 another, as the construction manager-at-risk unless the engineer or 19 20 architect is hired to serve as the construction manager-at-risk under a separate or concurrent procurement conducted in accordance 21 22 with this subchapter. This subsection does not prohibit a commission engineer or architect from providing customary 23 construction phase services under the engineer's or architect's 24 original professional service agreement in accordance with 25 applicable licensing laws. 26
- SECTION 3. Subsection (c), Section 44.038, Education Code,

1 is amended to read as follows:

- 2 (c) Before or concurrently with selecting a construction 3 manager-at-risk, the district shall select or designate an engineer 4 or architect who shall prepare the construction documents for the project and who has full responsibility for complying with Chapter 5 1001 or 1051, Occupations Code [The Texas Engineering Practice Act 6 7 (Article 3271a, Vernon's Texas Civil Statutes) or Chapter 478, Acts of the 45th Legislature, Regular Session, 1937 (Article 249a, 8 9 Vernon's Texas Civil Statutes)], as applicable. If the engineer or 10 architect is not a full-time employee of the district, the district shall select the engineer or architect on the basis of demonstrated 11 competence and qualifications as provided by Section 2254.004, 12 13 Government Code. The district's engineer, architect, construction manager-agent for a project may not serve, alone or in 14 15 combination with another, as the construction manager-at-risk 16 unless the engineer or architect is hired to serve as the construction manager-at-risk under a separate or concurrent 17 procurement conducted in accordance with this subchapter. This 18 subsection does not prohibit the district's engineer or architect 19 20 from providing customary construction phase services under the engineer's or architect's original professional service agreement 21 22 in accordance with applicable licensing laws.
- 23 SECTION 4. Subsection (c), Section 51.782, Education Code, 24 is amended to read as follows:
- (c) Before or concurrently with selecting a construction manager-at-risk, the board shall select or designate an engineer or architect who shall prepare the construction documents for the

project and who has full responsibility for complying with Chapter 1 2 1001 or 1051, Occupations Code [The Texas Engineering Practice Act (Article 3271a, Vernon's Texas Civil Statutes) or Chapter 478, Acts 3 of the 45th Legislature, Regular Session, 1937 (Article 249a, 4 Vernon's Texas Civil Statutes)], as applicable. If the engineer or 5 architect is not a full-time employee of the institution, the board 6 7 shall select the engineer or architect on the basis of demonstrated competence and qualifications as provided by Section 2254.004, 8 9 Government Code. The institution's engineer, architect, construction manager-agent for a project may not serve, alone or in 10 11 combination with another, as the construction manager-at-risk unless the engineer or architect is hired to serve as the 12 construction manager-at-risk under a separate or concurrent 13 procurement conducted in accordance with this subchapter. This 14 subsection does not prohibit the institution's engineer or 15 16 architect from providing customary construction phase services under the engineer's or architect's original professional service 17 agreement in accordance with applicable licensing laws. 18

SECTION 5. (a) The changes in law made by this Act apply only to a construction project for which a bid, proposal, offer, or qualification, as applicable, is first advertised or otherwise solicited on or after September 1, 2003.

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(b) A construction project for which a bid, proposal, offer, or qualification, as applicable, is first advertised or otherwise solicited before September 1, 2003, is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

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1 SECTION 6. This Act takes effect September 1, 2003.

COMMITTEE AMENDMENT NO. 1

- 2 SB 1331 is amended by adding a new SECTION to read as follows,
- 3 renumbering the existing SECTIONS as appropriate:
- 4 SECTION ___. Sec. 44.040, Education Code, is amended to read
- 5 as follows:

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- 6 Sec. 44.040. SELECTING CONTRACTOR FOR CONSTRUCTION
- 7 SERVICES THROUGH COMPETITIVE BIDDING. (a) Except to the extent
- 8 prohibited by other law and to the extent consistent with this
- 9 subchapter, a school district may use competitive bidding to select
- 10 a contractor to perform construction, rehabilitation, alteration,
- 11 or repair services for a facility.
- 12 (b) Except as otherwise specifically provided by this
- 13 subsection, Subchapter B, Chapter 271, Local Government Code, does
- 14 not apply to a competitive bidding process under this subchapter.
- 15 Sections 271.026, 271.027(a), and 271.0275, Local Government Code,
- 16 apply to a competitive bidding process under this subchapter.
- 17 (c) The district shall select or designate an engineer or
- 18 architect to prepare construction documents for the project. The
- 19 <u>selected</u> or <u>designated</u> engineer or architect has full
- 20 responsibility for complying with Chapter 1001 and Chapter 1051,
- 21 Occupations Code, as applicable.
- 22 <u>(d)</u> A school district shall award a competitively bid
- 23 contract at the bid amount to the bidder offering the best value to
- 24 the district according to the selection criteria that were
- 25 established by the district. The selection criteria may include
- the factors listed in Section 44.031(b).
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