

Amend CSHB 2702 by striking SECTION 27 of the bill (page 20, lines 3-21), and substitute the following:

SECTION 27. Section 361.3022, Transportation Code, is amended by adding Subsections (e-1) and (e-2) and amending Subsections (f), (i), and (j) to read as follows:

(e-1) Notwithstanding the requirements of this section, the department may prequalify a private entity to submit a detailed proposal to provide services under a design-build contract. The department is not required to publish a request under Subsection (c) for a design-build contract, and may enter into a design-build contract based solely on an evaluation of detailed proposals submitted in response to a request under Subsection (f) by prequalified private entities. The commission shall adopt rules establishing criteria for the prequalification of a private entity that include the precertification requirements applicable to providers of engineering services and the qualification requirements for bidders on highway construction contracts. Rules for design-build projects adopted pursuant to this subsection shall also provide for an expedited selection process less costly to proposers, reasonable bonding requirements, appropriate sharing of risks, and incentives for proposers to develop innovative ideas.

(e-2) In this section, "design-build contract" means a comprehensive development agreement that includes the design and construction of a turnpike project, does not include the financing of a turnpike project, and may include the acquisition, maintenance, or operation of a turnpike project.

(f) The department shall issue a request for detailed proposals from all private entities qualified under Subsection (e) or (e-1) if the department proceeds with the further evaluation of a proposed project. A request under this subsection may require additional information relating to:

- (1) the private entity's qualifications and demonstrated technical competence;
- (2) the feasibility of developing the project as proposed;
- (3) detailed engineering or architectural designs;
- (4) the private entity's ability to meet schedules;

(5) costing methodology; or

(6) any other information the department considers relevant or necessary.

(i) The department may enter into negotiations [~~discussions~~] with the private entity whose proposal offers the apparent best value for the purpose of establishing the final terms of a comprehensive development agreement. [~~The discussions shall be limited to:~~

~~(1) incorporation of aspects of other proposals for the purpose of achieving the overall best value for the department;~~

~~(2) clarifications and minor adjustments in scheduling, cash flow, and similar items; and~~

~~(3) matters that have arisen since the submission of the proposal.]~~

(j) If at any point in negotiations [~~discussions~~] under Subsection (i) [~~7~~] it appears to the department that the highest ranking proposal will not provide the department with the overall best value, the department may enter into negotiations [~~discussions~~] with the private entity submitting the next-highest ranking proposal.