By: Pickett H.B. No. 2801

A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to comprehensive development agreements of the Texas
- 3 Department of Transportation that include the financing, design,
- 4 and construction of a project.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 6 SECTION 1. Section 223.201(b), Transportation Code, is
- 7 amended to read as follows:
- 8 (b) In this subchapter, "comprehensive development
- 9 agreement" means an agreement that, at a minimum, provides for the
- 10 financing, design, and construction[, rehabilitation, expansion,
- 11 or improvement] of a project described in Subsection (a) and may
- 12 also provide for the [financing,] acquisition, maintenance, or
- 13 operation of a project described in Subsection (a). For purposes of
- 14 this subsection, construction of a project includes
- 15 rehabilitation, expansion, or improvement of a project.
- SECTION 2. Section 223.203, Transportation Code, is amended
- 17 by amending Subsections (a), (c), (d), (e), (f), (g), (l), and (o)
- 18 and adding Subsections (f-2) and (l-1) to read as follows:
- 19 (a) If the department enters into a comprehensive
- 20 development agreement, the department shall use a competitive
- 21 procurement process that provides the best value for the
- 22 department. [The department may accept unsolicited proposals for a
- 23 proposed project or solicit proposals in accordance with this
- 24 section.

- 1 (c) If the department decides to issue a request for
 2 qualifications for a proposed project, the [The] department shall
 3 publish a notice advertising a request for competing proposals and
 4 qualifications in the Texas Register that includes the criteria to
 5 be used to evaluate the proposals, the relative weight given to the
 6 criteria, and a deadline by which proposals must be received [if:
- 7 [(1) the department decides to issue a request for 8 qualifications for a proposed project; or
- 9 [(2) the department authorizes the further evaluation of an unsolicited proposal].
- (d) A proposal submitted in response to a request published under Subsection (c) must contain, at a minimum, <u>information</u> regarding the private entity's qualifications, experience, technical competence, and capability to develop the project [the information required by Subsections (b)(2) and (3)].
- department may interview a private 16 (e) The 17 [submitting an unsolicited proposal or] responding to a request under Subsection (c). The department shall evaluate each proposal 18 based on the criteria described in the request for competing 19 proposals and qualifications and may qualify or shortlist private 20 21 entities to submit detailed proposals under Subsection (f). The department must qualify or shortlist at least two private entities 22 23 to submit detailed proposals for a project under Subsection (f) 24 unless the department does not receive more than one proposal or one response to a request under Subsection (c). 25
- 26 (f) After obtaining environmental clearance for a project,
 27 the [The] department shall issue a request for detailed proposals

- 1 from all private entities qualified or shortlisted under Subsection
- 2 (e) [or prequalified under Subsection (e-1) if the department
- 3 proceeds with the further evaluation of a proposed project]. A
- 4 request under this subsection may require additional information
- 5 relating to:
- 6 (1) the private entity's qualifications and
- 7 demonstrated technical competence;
- 8 (2) the feasibility of developing the project as
- 9 proposed;
- 10 (3) engineering or architectural designs;
- 11 (4) the private entity's ability to meet schedules;
- 12 (5) a financial plan, including costing methodology
- 13 and cost proposals; or
- 14 (6) any other information the department considers
- 15 relevant or necessary.
- 16 (f-2) A private entity responding to a request for detailed
- 17 proposals issued under Subsection (f) must identify:
- 18 (1) companies that will fill key project roles,
- 19 <u>including project management</u>, <u>lead</u> design firm, quality control
- 20 management, and quality assurance management; and
- 21 (2) entities that will serve as key task leaders for
- 22 geotechnical, hydraulics and hydrology, structural, environmental,
- 23 utility, and right-of-way issues.
- 24 (g) In issuing a request for <u>detailed</u> proposals under
- 25 Subsection (f), the department may solicit input from entities
- 26 qualified under Subsection (e) or any other person. The department
- 27 may also solicit input regarding alternative technical concepts

- 1 after issuing a request under Subsection (f). A technical solution
- 2 presented with a proposal for a project must be complete and
- 3 demonstrate full compliance with, and have demonstrated resources
- 4 to be able to fulfill, all technical requirements for the project,
- 5 including specified quality assurance and quality control program
- 6 requirements, safety program requirements, and environmental
- 7 program requirements. A proposal that includes a technical
- 8 solution that does not meet those requirements is ineligible for
- 9 further consideration.
- 10 (1) A private entity selected for a comprehensive
- 11 development agreement may not make changes to the companies or
- 12 entities identified under Subsection (f-2) unless the original
- 13 company or entity:
- 14 (1) is no longer in business, is unable to fulfill its
- 15 legal, financial, or business obligations, or can no longer meet
- 16 the terms of the teaming agreement with the private entity;
- 17 (2) voluntarily removes itself from the team;
- 18 (3) fails to provide a sufficient number of qualified
- 19 personnel to fulfill the duties identified during the proposal
- 20 stage; or
- 21 (4) fails to negotiate in good faith in a timely manner
- 22 <u>in accordance with provisions established in the teaming agreement</u>
- 23 proposed for the project.
- 24 (1-1) If the private entity makes team changes in violation
- 25 of Subsection (1), any cost savings resulting from the change
- 26 accrue to the state and not to the private entity. [The department
- 27 may require that an unsolicited proposal be accompanied by a

- 1 nonrefundable fee sufficient to cover all or part of its cost to
- 2 review the proposal.
- 3 (o) All teaming agreements and subconsultant agreements
- 4 must be executed and provided to the department before the
- 5 execution of the comprehensive development agreement. [Subchapter
- 6 A of this chapter and Chapter 2254, Government Code, do not apply to
- 7 a comprehensive development agreement entered into under this
- 8 subchapter.
- 9 SECTION 3. Section 223.204(a), Transportation Code, is
- 10 amended to read as follows:
- 11 (a) To encourage private entities to submit proposals under
- 12 this subchapter, the following information is confidential, is not
- 13 subject to disclosure, inspection, or copying under Chapter 552,
- 14 Government Code, and is not subject to disclosure, discovery,
- 15 subpoena, or other means of legal compulsion for its release until a
- 16 final contract for a proposed project is entered into:
- 17 (1) all or part of a proposal that is submitted by a
- 18 private entity for a comprehensive development agreement, except
- 19 information <u>described</u> by <u>Section 223.203(d)</u> [provided under
- 20 Sections 223.203(b)(1) and (2)], unless the private entity consents
- 21 to the disclosure of the information;
- 22 (2) supplemental information or material submitted by
- 23 a private entity in connection with a proposal for a comprehensive
- 24 development agreement, unless the private entity consents to the
- 25 disclosure of the information or material; and
- 26 (3) information created or collected by the department
- 27 or its agent during consideration of a proposal for a comprehensive

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- 1 development agreement.
- 2 SECTION 4. Sections 223.201(f), (h), and (i) and
- 3 223.203(b), (e-1), and (e-2), Transportation Code, are repealed.
- 4 SECTION 5. The changes in law made by this Act to Section
- 5 223.203, Transportation Code, apply only to a comprehensive
- 6 development agreement entered into on or after the effective date
- 7 of this Act.
- 8 SECTION 6. This Act takes effect September 1, 2011.