By: Leach H.B. No. 3250

Substitute the following for H.B. No. 3250:

By: Elkins C.S.H.B. No. 3250

A BILL TO BE ENTITLED

1 AN ACT

2 relating to civil works projects and other construction projects of

- 3 governmental entities.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Subchapter B, Chapter 2269, Government Code, is
- 6 amended by adding Section 2269.0525 to read as follows:
- 7 Sec. 2269.0525. PREQUALIFICATION PROCESS FOR CIVIL WORKS
- 8 PROJECTS. (a) In this section, "civil works project" has the
- 9 meaning assigned by Section 2269.351.
- 10 (b) A governmental entity may implement a prequalification
- 11 process to eliminate unqualified offerors from consideration for a
- 12 civil works project under a method authorized by this chapter. A
- 13 governmental entity that implements a prequalification process
- 14 under this section shall advertise or publish notice of the
- 15 prequalification process along with a request for qualifications in
- 16 <u>a manner prescribed by law.</u> In addition, the governmental entity
- 17 may directly solicit qualifications from potential offerors if the
- 18 competitive requirements of this chapter and other applicable law
- 19 are followed.
- 20 <u>(c) If a governmental entity considers a contract for a</u>
- 21 civil works project using competitive bidding under this chapter,
- 22 in implementing a prequalification process under Subsection (b),
- 23 the governmental entity:
- 24 (1) may not rank potential offerors; and

- 1 (2) shall determine if any potential offerors meet
- 2 minimum qualification requirements for completing the civil works
- 3 project.
- 4 (d) A governmental entity may consider the following
- 5 factors during the prequalification process:
- 6 (1) the potential offeror's experience with other
- 7 construction projects for the governmental entity;
- 8 (2) the potential offeror's commercial and financial
- 9 history and stability;
- 10 (3) the potential offeror's ability to self-perform
- 11 the construction project services;
- 12 (4) the potential offeror's familiarity and experience
- 13 with subcontractors and suppliers in the area served by the
- 14 governmental entity;
- 15 (5) whether the potential offeror has been involved in
- 16 litigation related to a construction project during the preceding
- 17 five years;
- 18 (6) the potential offeror's ability and capacity to
- 19 provide performance and payment bonds;
- 20 (7) whether the potential offeror has ever failed to
- 21 complete a project for a governmental entity;
- 22 (8) the potential offeror's experience with
- 23 construction projects of similar size and scope; and
- 24 (9) the qualifications and experience of the potential
- 25 offeror's proposed project team.
- SECTION 2. Section 2269.055, Government Code, is amended to
- 27 read as follows:

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- 1 Sec. 2269.055. CRITERIA TO CONSIDER. (a) In determining
- 2 the award of a contract under this chapter, the governmental entity
- 3 may consider:
- 4 (1) the price;
- 5 (2) the offeror's experience with similar construction
- 6 projects and reputation;
- 7 (3) the quality of the offeror's goods or services;
- 8 (4) the impact on the ability of the governmental
- 9 entity to comply with rules relating to historically underutilized
- 10 businesses;
- 11 (5) the offeror's safety record;
- 12 (6) the offeror's proposed personnel;
- 13 (7) whether the offeror's financial capability is
- 14 appropriate to the size and scope of the project; and
- 15 (8) any other relevant factor specifically listed in
- 16 the request for bids, proposals, or qualifications.
- 17 (b) In determining the award of a contract under this
- 18 chapter, the governmental entity shall:
- 19 (1) consider and apply any existing laws, including
- 20 any criteria, related to historically underutilized businesses;
- 21 [and]
- 22 (2) consider and apply any existing laws, rules, or
- 23 applicable municipal charters, including laws applicable to local
- 24 governments, related to the use of women, minority, small, or
- 25 disadvantaged businesses; and
- 26 (3) consider good faith efforts to comply with laws,
- 27 rules, or applicable municipal charters described by Subdivision

- 1 (2).
- 2 (c) In this section, "good faith effort" means documented
- 3 evidence of outreach to enlist services, or bids and proposals,
- 4 from available, certified, and qualified businesses.
- 5 SECTION 3. Section 2269.056(b), Government Code, is amended
- 6 to read as follows:
- 7 (b) The governmental entity shall base its selection among
- 8 offerors on applicable criteria listed for the particular method
- 9 used. The governmental entity shall publish in the request for
- 10 proposals or qualifications the:
- 11 (1) criteria that will be used to evaluate the
- 12 offerors;
- 13 (2) [, and the] applicable weighted value for each
- 14 criterion; and
- 15 (3) detailed methodology for scoring each criterion.
- SECTION 4. Subchapter B, Chapter 2269, Government Code, is
- 17 amended by adding Section 2269.0565 to read as follows:
- 18 Sec. 2269.0565. EXPLANATION OF EVALUATION AND RANKING. (a)
- 19 An offeror who submits a bid, proposal, or qualification for a
- 20 construction contract under this chapter and who is not awarded the
- 21 contract may make a request in writing to the governmental entity to
- 22 provide an explanation of its evaluation and, if applicable,
- 23 ranking of the offeror's submission if the submission was:
- 24 (1) evaluated or ranked differently than a comparable
- 25 submission from the offeror to the governmental entity during the
- 26 preceding year;
- 27 (2) developed using the same data that was used to

- 1 develop the offeror's previous submission; and
- 2 (3) evaluated or ranked using the same criteria that
- 3 was used to evaluate or rank the offeror's previous submission.
- 4 (b) Not later than the 30th day after the date a request is
- 5 made under Subsection (a), the governmental entity shall deliver to
- 6 the offeror a written explanation of its evaluation and, if
- 7 applicable, ranking of the offeror's submission, including an
- 8 explanation of why the submission was evaluated or ranked
- 9 differently than the offeror's previous submission to the
- 10 governmental entity.
- 11 SECTION 5. Section 2269.103, Government Code, is amended to
- 12 read as follows:
- 13 Sec. 2269.103. PREPARATION OF REQUEST. (a) The
- 14 governmental entity shall prepare a request for competitive bids
- 15 that includes construction documents, estimated budget, project
- 16 scope, estimated project completion date, and other information
- 17 that a contractor may require to submit a bid.
- 18 (b) Before preparing a request for competitive bids under
- 19 Subsection (a), a governmental entity may use the prequalification
- 20 process for civil works projects described by Section 2269.0525.
- 21 SECTION 6. Section 2269.153, Government Code, is amended to
- 22 read as follows:
- Sec. 2269.153. PREPARATION OF REQUEST. (a) The
- 24 governmental entity shall prepare a request for competitive sealed
- 25 proposals that includes construction documents, selection criteria
- 26 and the weighted value for each criterion, estimated budget,
- 27 project scope, estimated project completion date, and other

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- 1 information that a contractor may require to respond to the
- 2 request.
- 3 (b) Before preparing a request for competitive sealed
- 4 proposals under Subsection (a), a governmental entity may use the
- 5 prequalification process for civil works projects described by
- 6 Section 2269.0525.
- 7 SECTION 7. The change in law made by this Act applies only
- 8 to a contract for which a governmental entity first advertises or
- 9 otherwise solicits bids, proposals, offers, or qualifications or
- 10 makes a similar solicitation on or after the effective date of this
- 11 Act. A contract for which a governmental entity first advertises or
- 12 otherwise solicits bids, proposals, offers, or qualifications or
- 13 makes a similar solicitation before the effective date of this Act
- 14 is governed by the law in effect on the date the advertisement or
- 15 solicitation is made, and that law is continued in effect for that
- 16 purpose.
- 17 SECTION 8. This Act takes effect September 1, 2017.