



Bill Draft 2017-MLz-201: DOT/Project Delivery Method Pilot Project.

2017-2018 General Assembly

Committee: House Select Committee on Strategic Date: March 28, 2018
Transportation Planning and Long Term
Funding Solutions

Introduced by: **Prepared by:** Luke Gillenwater
Analysis of: 2017-MLz-201 Staff Attorney

OVERVIEW: 2017-MLz-201 authorizes the Department of Transportation ("Department") to establish and implement a pilot project to award transportation project contracts on a construction manager-general contractor basis.

CURRENT LAW: Chapter 136 of the General Statutes lists several requirements that must be met by the Department when letting contracts. For example, G.S. 136-28.1 requires, for all contracts over five million dollars (\$5,000,000), the use of public advertising, the solicitation of at least three informal bids, and the awarding of the contract to the lowest responsible bidder. One exception to this statutory framework is located in G.S. 136-28.11, which allows the Department to award contracts for the construction of transportation projects on a design-build basis.

BILL ANALYSIS: 2017-MLz-201 does the following:

- **Section 1:** Defines the term "construction manager-general contractor" to mean a project delivery method whereby a construction manager is used during the design process to provide input on the design, and that same construction manager may subsequently act as the general contractor and construct the project.
- **Section 2:** Authorizes the Department to establish and implement the pilot project to award up to five transportation construction contracts on a construction manager-general contractor basis. The Department may only award contracts under this section if (i) the cost of the project is less than one hundred million dollars (\$100,000,000), (ii) the Department determines it is in the public interest to use this delivery method, (iii) the Department prequalifies the contractor, (iv) the Department complies with the pre-award reporting requirement, and (v) the Department has established and implemented guidelines governing the award of contracts under the pilot program.
- **Section 3:** Requires the Department to submit a pre-award report to the Joint Legislative Transportation Oversight Committee ("JLTOC") on the nature and scope of the project. Also requires the Department to submit a post-completion report to the JLTOC detailing the results of the project.
- **Section 4:** Requires the Department to develop and implement guidelines for the awarding of contracts under the pilot project.

EFFECTIVE DATE: 2017-MLz-201 is effective when it becomes law, and expires upon submission of the post-completion report for the final contract awarded under the pilot program.

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