

SENATE BILL NO. 162

BY SENATOR GARY SMITH

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

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AN ACT

To amend and reenact R.S. 38:2225.2.4(A)(3), (F)(5), and (G)(5), relative to public contracts; to authorize a construction management at risk pilot program; to provide for selection of a construction management at risk contractor; to provide for entry into a construction management at risk contract by an owner; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 38:2225.2.4(A)(3), (F)(5), and (G)(5) are hereby amended and reenacted to read as follows:

§2225.2.4. Construction management at risk; public entity

A. \* \* \*

(3) CMAR shall not be used for any project that is estimated to cost less than twenty-five million dollars: **except for any project in the CMAR pilot program. A pilot program is hereby established that authorizes a public entity to use CMAR for only one project which is estimated to cost three million dollars or more, provided that the CMAR pilot program is limited to no more than ten projects on a first-come, first-served basis. Prior to proceeding to use CMAR, a public entity shall submit a proposed CMAR pilot project by name, together with the reason to use CMAR, to the House and Senate transportation, highways, and public works committees for review and approval.**

\* \* \*

F. \* \* \*

1                   (5) ~~If the~~ The benefits of using the CMAR method reduce as the design  
 2 process progresses,~~the.~~ The owner shall select the CMAR contractor either before,  
 3 but not later than, when ~~the~~ in the professional opinion of the owner's design  
 4 professional, the design professional's design of the project is not more than thirty  
 5 percent complete.

6                   G. After award and execution of the contract with the CMAR contractor, the  
 7 following actions shall proceed:

8   \*           \*           \*

9                   (5) Once a guaranteed maximum price is agreed upon, the owner may  
 10 ~~authorize~~ contract with the CMAR contractor to undertake construction services.  
 11 Additionally, the owner may determine and ~~authorize~~ contract with the CMAR  
 12 contractor to undertake specific items of construction services prior to agreement  
 13 upon a GMP for such items, provided such undertaking is for the benefit of the  
 14 project and a GMP for the undertaking can be agreed upon between the owner and  
 15 CMAR contractor. Such items may benefit the project, including but not limited to  
 16 items that require a long lead time, may further the understanding of unknown site  
 17 conditions, or other items.

18   \*           \*           \*

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 PRESIDENT OF THE SENATE

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 SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_