HOUSE SUMMARY OF SENATE AMENDMENTS

HB 208 2018 Regular Session Falconer

PUBLIC CONTRACTS: Revises provisions relative to the construction management at risk project delivery method for certain public contracts

Synopsis of Senate Amendments

- 1. Makes technical changes.
- 2. Modifies <u>proposed law</u> by requiring the CMAR project that the public entity must deliver written notification by name and description at least 60 days prior to proceeding to use CMAR have an estimated cost that is less than \$15 million.
- 3. Adds a provision that prohibits a CMAR contractor who was previously awarded a contract through the CMAR method from bidding on a project that is readvertised and publicly bid utilizing the design-bid-build delivery method after award and execution of a prior contract between an owner and the CMAR contractor if the owner and the CMAR contractor are not able to agree upon constructability, construction phasing and sequencing, the GMP for the project, the maximum number of contract days to complete the project, and to reach a negotiated agreement.

Digest of Bill as Finally Passed by Senate

<u>Present law</u> prohibits the construction management at risk (CMAR) project from being used for any project that is estimated to cost less than \$25 million dollars. <u>Present law</u> provides an exception to this rule if the project is in the CMAR pilot program.

<u>Proposed law</u> decreases the cost threshold of a CMAR project <u>from</u> \$25 million <u>to</u> \$5 million. Proposed law also repeals the CMAR pilot program.

<u>Present law</u> requires a public entity to 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 prior to proceeding to use CMAR.

<u>Proposed law modifies present law</u> by requiring the public entity deliver written notification by name and description at least 60 days prior to proceeding to use CMAR of any proposed CMAR project estimated to cost less than \$15 million.

<u>Proposed law</u> prohibits a CMAR contractor who was previously awarded a contract through the CMAR method from bidding on a project that is readvertised and publicy bid utilizing the design-bid-build delivery method after award and execution of a prior contract between an owner and the CMAR contractor if the owner and the CMAR contractor are not able to agree upon constructability, construction phasing and sequencing, the GMP for the project, the maximum number of contract days to complete the project, and to reach a negotiated agreement.

(Amends R.S. 38:2225.2.4(A)(3) and (G)(6))