2023 Regular Session

**ACT No. 244** 

#### SENATE BILL NO. 145

#### BY SENATOR HENSGENS

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

| 1  | AN ACT  |
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| 2  | To enact R.S. 38:2225.2.6, relative to design-build contracts; to provide for airports to use |
| 3  | the design-build method; to provide for air traffic control tower and hangar                  |
| 4  | development by design-build method; and to provide for related matters.                       |
| 5  | Be it enacted by the Legislature of Louisiana:  |
| 6  | Section 1. R.S. 38:2225.2.6 is hereby enacted to read as follows:                             |
| 7  | §2225.2.6. Design-build contracts; authorized use by airports; air traffic control            |
| 8  | tower and hangar  |
| 9  | A. Notwithstanding any other provision of law to the contrary, a public                       |
| 10 | airport may use the design-build project delivery method to contract for                      |
| 11 | construction and design-build of an air traffic control tower or hangar                       |
| 12 | development and redevelopment project when deemed in the public interest,                     |
| 13 | beneficial to the entity, and in accordance with the procedures set forth by law.             |
| 14 | <b>B.</b> The following are considerations for using the design-build delivery                |
| 15 | method:   |
| 16 | (1) Collaboration and cost control.   |
| 17 | (2) Concurrent execution of design and construction.  |
| 18 | (3) Complex project with a restrictive time frame.  |
| 19 | (4) Public entity, designer, and contractor with mutual project goals.                        |
| 20 | (5) Risk identification controlled by entity.   |
| 21 | (6) Minimization of the risk of construction and design disputes by using                     |
| 22 | a collaborative process.  |
| 23 | C.(1) For purposes of this Section, "design-builder" means the entity                         |
| 24 | contractually responsible for delivering the project design and construction.                 |
| 25 | (2) Every design-builder shall be duly licensed and registered to do                          |

# **ENROLLED**

| 1  | business in the state of Louisiana as either an architect, an engineer, or a      |
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| 2  | general contractor. Each design-builder shall have the following rights and       |
| 3  | powers:   |
| 4  | (a) The design-builder may sublet responsibility for professional design          |
| 5  | services to an individual, firm, or corporation duly licensed and registered in   |
| 6  | the state of Louisiana to provide design services.                                |
| 7  | (b) The design-builder may sublet responsibility for construction or              |
| 8  | other services requiring a contractor's or trade subcontractor's license to       |
| 9  | persons or entities duly registered, licensed, or otherwise qualified to provide  |
| 10 | those services as required by law.  |
| 11 | D. Prior to any submittal of a proposal on a design-build project, the            |
| 12 | following requirements shall be met:  |
| 13 | (1)(a) All engineering and surveying firms providing design and design-           |
| 14 | related services with the design-builder to which the design-build contract is    |
| 15 | awarded shall be licensed to perform those services by the Louisiana              |
| 16 | Professional Engineering and Land Surveying Board.                                |
| 17 | (b) All architectural firms providing design services with the                    |
| 18 | design-builder to which the design-build contract is awarded shall be licensed    |
| 19 | to perform those services by the Louisiana State Board of Architectural           |
| 20 | Examiners or the Louisiana Horticulture Commission.                               |
| 21 | (c) All contractors performing construction work for the design-build             |
| 22 | contract shall be licensed by the Louisiana State Licensing Board for             |
| 23 | Contractors.  |
| 24 | (2) A two-stage selection process that will utilize a request for                 |
| 25 | qualifications graded and judged by a primary evaluation committee and a          |
| 26 | request for technical proposals graded and judged by a separate technical         |
| 27 | review committee shall be used to select the design-builder and shall include the |
| 28 | following specific provisions:  |
| 29 | (a)(i) Public announcement procedures for the solicitation of interested          |
| 30 | design-build competitors and a procedure for requesting letters of interest and   |
|    |   |

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| 1  | statements of qualifications from qualified firms or teams.                        |
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| 2  | (ii) Public announcement procedures shall include a requirement for the            |
| 3  | advertisement in the official journal of the municipality in which the project is  |
| 4  | to take place.   |
| 5  | (iii) All notices of intent to select design-build contractors shall be            |
| 6  | advertised a minimum of thirty days prior to the deadline for receipt of           |
| 7  | responses and shall contain a brief description of the project, the required scope |
| 8  | of services, the members of the primary evaluation committee, and sufficient       |
| 9  | information for design-build entities to determine their interest.                 |
| 10 | (b) Decisions by the primary evaluation committee shall be made on the             |
| 11 | basis of the criteria set forth in this Subsection. Members of the primary         |
| 12 | evaluation committee may serve as members of the technical review committee.       |
| 13 | Each member of the technical review committee shall score assigned elements.       |
| 14 | Scores shall be considered public information.                                     |
| 15 | (3) The airport shall provide a request for a qualifications package to            |
| 16 | design-builders who submit a letter of interest. All required information shall    |
| 17 | be identified in the request for qualifications package and in standard response   |
| 18 | form. The response to a request for qualifications package shall include           |
| 19 | statements of qualifications. The completed response form and any other            |
| 20 | required information shall be transmitted by the responding design-builder by      |
| 21 | the deadline to submit forms and information as provided in the request for        |
| 22 | qualifications package. Any response failing to meet all of the requirements       |
| 23 | contained in the request for qualifications package shall not be considered.       |
| 24 | False and misrepresented information furnished in response to a request for        |
| 25 | qualifications package shall be grounds for rejection.                             |
| 26 | (4)(a) The primary evaluation committee shall evaluate the responses to            |
| 27 | the request for qualifications package received by the airport. The following      |
| 28 | general criteria used by the primary evaluation committee in evaluating            |
| 29 | responses to the request for qualifications package for design-build services      |
| 30 | shall apply to both the design and construction components of any                  |

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| 1  | responding entity:   |
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| 2  | (i) Professional training and experience of both the design and                      |
| 3  | construction entity components and of key personnel in general and as related        |
| 4  | to the project under construction.   |
| 5  | (ii) Capacity for timely completion of the work.                                     |
| 6  | (iii) Past performance on projects of a similar nature to the project                |
| 7  | described in the notice of intent.   |
| 8  | (iv) The quantity and value of work awarded to both the design and                   |
| 9  | construction entity components.  |
| 10 | (b) The primary evaluation committee may consider additional                         |
| 11 | project-specific needs, including but not limited to the design-builder's past       |
| 12 | projects in the same metropolitan statistical area as the proposed project and       |
| 13 | the domicile address of the responding design-builder verified by the secretary      |
| 14 | of state online business filing database.  |
| 15 | (c) The primary evaluation committee shall consist of a minimum of five              |
| 16 | members designated by the head of the airport according to the rules                 |
| 17 | established pursuant to this Subsection. One of the members of the primary           |
| 18 | evaluation committee shall be a licensed contractor in the discipline of the         |
| 19 | project and one member shall be a licensed design professional in the discipline     |
| 20 | of the project, neither of which shall have any involvement in the project.          |
| 21 | (d) The primary evaluation committee shall evaluate the qualifications               |
| 22 | of responding design-builders on the basis of the criteria set forth in this         |
| 23 | Subsection and the rules established pursuant to this Subsection and shall select    |
| 24 | a short list of no fewer than three of the highest rated entities. However, if fewer |
| 25 | than three responses are received, the head of the airport may approve               |
| 26 | proceeding with the design-build process. The primary evaluation committee           |
| 27 | may, at its discretion, be assisted by other airport personnel in its evaluation of  |
| 28 | a design-builder's qualifications. The primary evaluation committee shall            |
| 29 | present its short list to the head of the airport. The short-listed design-builders  |
| 30 | shall be invited to submit a detailed technical proposal for the design-build        |

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| 1  | project. The invitation to the short-listed entities shall specify a deadline for    |
|----|--|
| 2  | submission of proposals.   |
| 3  | (5)(a) The specific requirements of the technical proposal shall be                  |
| 4  | identified by the airport to the design-builders making the short list by means      |
| 5  | of a "Scope of Services Package". The technical proposal shall include design        |
| 6  | strategy, preliminary design concepts, fundamental requirements, quality             |
| 7  | standards, capacities, materials, the schedule of commencement and completion,       |
| 8  | and a lump sum for all services in fulfillment of the requirements and within the    |
| 9  | constraints of the "Scope of Services Package". Any and all weighing or grading      |
| 10 | factors that will be used to judge the technical proposal shall be identified in the |
| 11 | "Scope of Services Package".   |
| 12 | (b) The airport may compensate unsuccessful and responsive short-listed              |
| 13 | entities for the expense of preparing the technical proposal. The amount shall       |
| 14 | be predetermined by the airport and shall be identified in the "Scope of Services    |
| 15 | Package". The airport may use concepts submitted by any paid short-listed            |
| 16 | design-builder in the construction of the project.                                   |
| 17 | (6) A technical review committee for the evaluation of design-build                  |
| 18 | proposals shall be established according to the rules set forth in this Subsection.  |
| 19 | The technical review committee members shall include construction                    |
| 20 | professionals as defined by the rules established in this Subsection. The            |
| 21 | technical review committee shall identify specific technical elements of the         |
| 22 | project, depending on the characteristics of the project, that will be included in   |
| 23 | the technical score and those shall be identified in the "Scope of Services          |
| 24 | Package". The technical review committee may select additional engineering,          |
| 25 | architectural, construction, and other technical experts to serve as committee       |
| 26 | members. The technical review committee shall select one member to serve as          |
| 27 | chairman of the committee.   |
| 28 | (a) An adjusted score approach shall be used by the airport in                       |
| 29 | determining the winning proposal. The adjusted score shall be determined using       |
| 30 | the following components:  |

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| 1  | (i) Technical score shall be determined by any weighing factors assigned  |
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| 2  | to each element depending on its relative magnitude or significance to the  |
| 3  | overall project. Each technical review committee member shall rate their  |
| 4  | assigned element of the proposal from each of the design-builder on the short   |
| 5  | list and shall submit their score to the chairman of the technical review   |
| 6  | committee. The schedule and price components shall not be made known to the   |
| 7  | technical review committee during the scoring process. The chairman of the  |
| 8  | technical review committee shall adjust the scores for any applicable weighing  |
| 9  | factors and shall determine the total technical score for each proposal. Prior to   |
| 10   | determining the adjusted score, the chairman of the technical review committee  |
| 10   | shall notify each design-builder, in writing, of their final technical score. All   |
| 12   | information pertaining to the technical review committee, including that of the   |
| 12   | committee chairman, shall be public information.  |
| 13   |   |
|  | (ii) The time value, consisting of the product of the design-builders   |
| 15   | proposed contract time expressed in calendar days multiplied by the   |
| 1.6  |   |
| 16   | value-per-calendar-day expressed in dollars established by the airport and  |
| 16<br>17   | value-per-calendar-day expressed in dollars established by the airport and identified in the "Scope of Services Package".   |
|  |   |
| 17   | identified in the "Scope of Services Package".  |
| 17<br>18   | identified in the "Scope of Services Package".<br>(iii) The price proposal submitted by the short listed design-builders.   |
| 17<br>18<br>19   | identified in the "Scope of Services Package".<br>(iii) The price proposal submitted by the short listed design-builders.<br>(b) The winning proposal shall be the proposal with the lowest adjusted  |
| 17<br>18<br>19<br>20   | identified in the "Scope of Services Package".<br>(iii) The price proposal submitted by the short listed design-builders.<br>(b) The winning proposal shall be the proposal with the lowest adjusted<br>score. The adjusted score for each entity's design-build proposal shall be  |
| 17<br>18<br>19<br>20<br>21   | identified in the "Scope of Services Package".<br>(iii) The price proposal submitted by the short listed design-builders.<br>(b) The winning proposal shall be the proposal with the lowest adjusted<br>score. The adjusted score for each entity's design-build proposal shall be<br>determined by the following formula: Adjusted Score = (Price Bid + Time   |
| <ol> <li>17</li> <li>18</li> <li>19</li> <li>20</li> <li>21</li> <li>22</li> </ol>   | identified in the "Scope of Services Package".<br>(iii) The price proposal submitted by the short listed design-builders.<br>(b) The winning proposal shall be the proposal with the lowest adjusted<br>score. The adjusted score for each entity's design-build proposal shall be<br>determined by the following formula: Adjusted Score = (Price Bid + Time<br>Value) divided by the Technical Score. Use of the time value is not mandatory  |
| <ol> <li>17</li> <li>18</li> <li>19</li> <li>20</li> <li>21</li> <li>22</li> <li>23</li> </ol>   | identified in the "Scope of Services Package".<br>(iii) The price proposal submitted by the short listed design-builders.<br>(b) The winning proposal shall be the proposal with the lowest adjusted<br>score. The adjusted score for each entity's design-build proposal shall be<br>determined by the following formula: Adjusted Score = (Price Bid + Time<br>Value) divided by the Technical Score. Use of the time value is not mandatory<br>and if not used, the adjusted score shall be determined by the following  |
| <ol> <li>17</li> <li>18</li> <li>19</li> <li>20</li> <li>21</li> <li>22</li> <li>23</li> <li>24</li> </ol>                                     | identified in the "Scope of Services Package".<br>(iii) The price proposal submitted by the short listed design-builders.<br>(b) The winning proposal shall be the proposal with the lowest adjusted<br>score. The adjusted score for each entity's design-build proposal shall be<br>determined by the following formula: Adjusted Score = (Price Bid + Time<br>Value) divided by the Technical Score. Use of the time value is not mandatory<br>and if not used, the adjusted score shall be determined by the following<br>formula: Adjusted Score = Price Bid divided by the Technical Score.   |
| <ol> <li>17</li> <li>18</li> <li>19</li> <li>20</li> <li>21</li> <li>22</li> <li>23</li> <li>24</li> <li>25</li> </ol>                         | identified in the "Scope of Services Package".<br>(iii) The price proposal submitted by the short listed design-builders.<br>(b) The winning proposal shall be the proposal with the lowest adjusted<br>score. The adjusted score for each entity's design-build proposal shall be<br>determined by the following formula: Adjusted Score = (Price Bid + Time<br>Value) divided by the Technical Score. Use of the time value is not mandatory<br>and if not used, the adjusted score shall be determined by the following<br>formula: Adjusted Score = Price Bid divided by the Technical Score.<br>(7) Design-builders who have submitted bona fide proposals may, within   |
| <ol> <li>17</li> <li>18</li> <li>19</li> <li>20</li> <li>21</li> <li>22</li> <li>23</li> <li>24</li> <li>25</li> <li>26</li> </ol>             | identified in the "Scope of Services Package".<br>(iii) The price proposal submitted by the short listed design-builders.<br>(b) The winning proposal shall be the proposal with the lowest adjusted<br>score. The adjusted score for each entity's design-build proposal shall be<br>determined by the following formula: Adjusted Score = (Price Bid + Time<br>Value) divided by the Technical Score. Use of the time value is not mandatory<br>and if not used, the adjusted score shall be determined by the following<br>formula: Adjusted Score = Price Bid divided by the Technical Score.<br>(7) Design-builders who have submitted bona fide proposals may, within<br>seven days of the announcement of the award, challenge the award by  |
| <ol> <li>17</li> <li>18</li> <li>19</li> <li>20</li> <li>21</li> <li>22</li> <li>23</li> <li>24</li> <li>25</li> <li>26</li> <li>27</li> </ol> | identified in the "Scope of Services Package".<br>(iii) The price proposal submitted by the short listed design-builders.<br>(b) The winning proposal shall be the proposal with the lowest adjusted<br>score. The adjusted score for each entity's design-build proposal shall be<br>determined by the following formula: Adjusted Score = (Price Bid + Time<br>Value) divided by the Technical Score. Use of the time value is not mandatory<br>and if not used, the adjusted score shall be determined by the following<br>formula: Adjusted Score = Price Bid divided by the Technical Score.<br>(7) Design-builders who have submitted bona fide proposals may, within<br>seven days of the announcement of the award, challenge the award by<br>submitting a letter to the head of the airport describing in detail the reasons for |

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#### **ENROLLED**

| 1  | be mailed or otherwise furnished immediately to the design-builder making the |
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| 2  | challenge. The decision shall be final and conclusive unless the decision is  |
| 3  | fraudulent or if the person adversely affected by the decision has timely     |
| 4  | appealed to the court of proper venue for the airport.                        |
| 5  | E. Once the design-builder has been chosen and a contract for a               |
| 6  | stipulated schedule and sum certain price is executed, the price of the       |
| 7  | design-build contract shall not be increased other than for inflation as      |
| 8  | prescribed in the contract and for site or other conditions of which the      |
| 9  | design-builder had no knowledge and should not have had knowledge as a        |
| 10 | reasonable possibility existing at the site or concerning the design and      |
| 11 | construction.   |
| 12 | F. The provisions of this Section shall supersede any conflicting             |
| 13 | provisions of any other law, including but not limited to the requirements of |
|    |   |

14 Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950.

# PRESIDENT OF THE SENATE

# SPEAKER OF THE HOUSE OF REPRESENTATIVES

# GOVERNOR OF THE STATE OF LOUISIANA

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