

# SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

## STATEMENT TO

### **SENATE, No. 2874**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: OCTOBER 8, 2020

The Senate Community and Urban Affairs Committee reports favorably and with committee amendments Senate Bill No. 2874.

This bill, known as the “Design-Build Construction Services Procurement Act,” sets forth the procedures for the awarding of design-build contracts for State and local contracting units.

In order to enter into a design-build contract, a contracting unit is required to demonstrate why the design-build approach better meets the contracting unit’s needs than the traditional public procurement method. When proceeding with a design-build contract, the contracting unit is required to get guidance from a registered design professional, develop performance criteria and a scope of work statement, establish evaluation factors for proposals, solicit proposals from design-builders, and utilize a technical review committee. On the basis of the proposal, the technical review committee is to select the most highly qualified design-builders and request those design-builders to submit a second proposal and sealed bid, which is then evaluated by the technical review committee. The contracting unit separately evaluates the submissions and awards the contract in accordance with the bill.

The bill outlines all requirements for solicitations for design-build contracts, the requirements for design-build teams and the submission of proposals, and the procedures for awarding of a contract.

All design-build construction projects entered into under the bill are required to comply with the “New Jersey Prevailing Wage Act” and are encouraged to adhere to the Leadership in Energy and Environmental Design Green Building Rating System.

The bill requires the State to compile and make public all proceedings, records, contracts, and other public records relating to procurement transactions authorized under the bill.

#### COMMITTEE AMENDMENTS:

The committee amended the bill to require:

- a contracting unit to offer a stipend to any design-builder providing design, construction information, or materials

presented in response to a request for second proposals in order to encourage the submission of proposals and to increase competition;

- that solicitations for each design-build contract include affirmative action, disadvantaged business; or set-aside goals or requirements for the design-build contract that are in accordance with the requirements of all rules, regulations, standards, or policies adopted by the contracting unit;
- the technical review committee to score the technical proposals using the criteria and methodology set forth in the request for proposals instead of just having the contracting unit accept the proposal which it considers most advantageous to the contracting unit after a thorough review and scoring of both parts of a design-bid proposal;
- the contracting unit to make public the sealed price bid for each proposal submitted to the contracting unit by a design-builder as well as the design-builder to be awarded the contract for the project; and
- the contracting unit to evaluate the received technical proposals and price bid against the published factors and weighting to arrive at a composite score.