



Senate

General Assembly

File No. 453

January Session, 2001

Senate Bill No. 1422

Senate, April 25, 2001

The Committee on Government Administration and Elections reported through SEN. FONFARA of the 1st Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING THE RETENTION OF AN OWNER'S REPRESENTATIVE FOR CERTAIN LARGE CAPITAL PUBLIC BUILDING CONTRACTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) As used in this section:

2 (1) "Owner's representative" means a consulting firm that provides
3 the overall management and coordination services needed to control
4 the cost, schedule and quality of the planning, designing, construction
5 and occupancy of a public building project. Said management and
6 coordination services may include, but are not limited to, (A) the
7 following predesign services: Existing facilities analysis, renovation
8 versus new construction analysis, site evaluation and selection, budget
9 and schedule master planning, risk identification and allocation and
10 design and construction contract evaluation; (B) the following design
11 services: Architect and engineer team management, cost estimating
12 and cost control, value engineering and life-cycle cost analysis,

13 governmental agency approvals, constructability analysis and
14 furniture, fixture and equipment coordination; (C) the following
15 construction services: On-site construction observation and
16 documentation, construction schedule and budget management, daily
17 activity documentation for status reports, change order evaluation and
18 negotiation and close-out coordination; and (D) the following
19 occupancy services: Move-in schedule and owner's staff training and
20 coordination.

21 (2) "Quasi public agency" has the same meaning as "quasi-public
22 agency", as defined in section 1-120 of the general statutes.

23 (3) "State agency" means an officer, department, board, council,
24 commission, institution or other agency of the executive, judicial or
25 legislative branch of state government.

26 Sec. 2. (NEW) (a) For each capital project for the construction,
27 alteration or repair of one or more buildings by a state agency or a
28 quasi-public agency, having a total cost of more than ten million
29 dollars, the agency shall retain an owner's representative to manage
30 and coordinate the planning, designing, construction and occupancy of
31 the project.

32 (b) Each owner's representative for a Department of Public Works
33 project shall be retained in accordance with the procedure set forth in
34 sections 4b-56 to 4b-58, inclusive, of the general statutes for the
35 retention of a consultant. Each owner's representative for a project
36 supervised by another state agency shall also be retained in accordance
37 with the procedures set forth in said sections 4b-56 to 4b-58, inclusive,
38 except that (1) the executive head of such supervising agency shall
39 establish an owners' representative selection panel in lieu of the
40 construction services selection panel required under said sections 4b-
41 56 to 4b-58, inclusive, and (2) the executive head of such supervising
42 agency, in lieu of the Commissioner of Public Works, shall negotiate a
43 contract with an owner's representative.

44 Sec. 3. This act shall take effect July 1, 2001.

GAE *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: Significant Cost, in excess of \$100,000 (Bond Funds/Debt Service)

Affected Agencies: Department of Public Works, Various State Agencies

Municipal Impact: None

Explanation

State Impact:

This bill results in significant additional costs to the state in Bond Funds and in debt service costs. The bill requires state and quasi-public agencies to retain an owner’s representative to manage and coordinate the planning, designing, construction and occupancy of construction projects on state buildings with a total cost in excess of \$10 million. The bill requires all agencies that supervise such projects to retain owner representatives. They are required to use procedures that the Department of Public Works (DPW) currently utilizes to hire project consultants, which consists of newspaper advertisements, a panel review, and selection of the most qualified responder.

The cost of consulting firms that would act as owner’s representatives is estimated by DPW as 3% of the total cost of the project, or \$300,000 for a \$10 million building project. This cost is in addition to the costs of contracted construction managers that DPW

currently utilizes for some of these projects. The owner's representative is responsible for more aspects of the project beginning with planning, pre-design, design and construction, as well as occupancy services.

OLR Bill Analysis

SB 1422

AN ACT CONCERNING THE RETENTION OF AN OWNER'S REPRESENTATIVE FOR CERTAIN LARGE CAPITAL PUBLIC BUILDING CONTRACTS.**SUMMARY:**

This bill requires state and quasi-public agencies to retain an owner's representative to manage and coordinate the planning, designing, construction, and occupancy of certain projects costing more than \$10 million. The projects must be financed for the construction, alteration, or repair of buildings. State agency projects consist of those undertaken by the executive, judicial, or legislative branch agencies. The Department of Public Works (DPW) commissioner, who manages construction projects for most state agencies, is currently authorized to hire a construction administrator to oversee the projects.

The bill requires all agencies that supervise the projects-described above to retain owner representatives by following the statutorily required procedure the DPW commissioner uses to retain project consultants. The procedure consists of newspaper advertisements, a panel review of the responses to the advertisements, and selection of the most qualified person.

EFFECTIVE DATE: July 1, 2001

OWNER'S REPRESENTATIVE

An owner's representative is a consulting firm that manages and coordinates services needed to control the cost, schedule, and quality of the planning, designing, construction, and occupancy of a public building project. The services may include pre-design (e.g., budget and schedule master planning); design (e.g., architect and engineer team management); construction (e.g., change order evaluation and negotiation); and occupancy services (e.g., move-in schedule).

RETENTION OF AN OWNER'S REPRESENTATIVE

DPW Commissioner

When selecting an owner's representative, the bill requires the DPW commissioner to:

1. advertise in newspapers circulated in each county;
2. have the State Construction Services Selection Panel review the responses to the advertisements;
3. have the panel select at least three of the most qualified bids (or all of them if fewer than three) and send them to the commissioner; and
4. negotiate a contract with the referred person most qualified to do the job or, if he cannot contract with any of them, with anyone he believes is qualified to do the job at a fair and reasonable price.

When determining fairness and reasonableness, the commissioner must consider the (1) professional competence of the person of his choice, (2) proposal's technical merits, and (3) ability of the person he chooses to do the job within the time frame and at no additional costs. The commissioner must state in writing his reasons for not negotiating with a person the panel refers.

Retention by Agency Other Than DPW

With the following two exceptions, an agency, other than DPW, that is authorized to supervise a capital project must follow the same procedure as the DPW commissioner. The agency's executive head must (1) establish and use an owner's representative selection panel instead of using the State Construction Services Selection Panel and (2) negotiate a contract with the owner's representative instead of having the DPW commissioner negotiate it.

BACKGROUND

State Construction Services Selection Panel

The five-member panel consists of four past or present DPW employees appointed by the DPW commissioner and one member appointed by the head or acting head of the agency that requests the project. The DPW employees serve a one-year term and the fifth member serves only for deliberations involving the project for which he was appointed.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable Report

Yea 19 Nay 1