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Senate Bill 646, An Act Concerning Architectural or Construction Management Services and Concerning Gifts and Campaign Contributions Made to Elected and Appointed Municipal Officials

**Education Committee
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Associated General Contractors of Connecticut (AGC/CT) is comprised of a number of construction managers and professionals who have a great deal of experience in school construction serving as CMs and project managers on state-funded public school building projects.

Senate Bill 646, An Act Concerning Architectural or Construction Management Services and Concerning Gifts and Campaign Contributions Made to Elected and Appointed Municipal Officials would define lowest responsible qualified bidder for orders and contracts for architectural or construction management services, require those bidders to be prequalified, and limit gifts and campaign contributions made to elected and appointed municipal officials by persons doing business with the municipality.

In June, 2007 the legislature approved an amendment to the school construction funding bill, which was enacted as Public Act 07-249. It required contracts for architectural and construction management services on state-funded public school building projects executed on or after July 1, 2007, to be awarded to the lowest responsible qualified bidder only after a public invitation to bid. This was a significant change in the law that presented several unintended consequences for cities, towns, design professionals and construction managers. The amendment had not been subject to a public hearing so there was no real opportunity for industry groups affected by it to explain the problems it presented.

Since that time, AGC/CT has worked with a number of industry representatives and public school building owners and professionals to form the School Construction Coalition. That group has struggled with understanding the intent behind the law and how to implement it. The coalition has also consulted with the Bureau of School Facilities in the state Department of Education which issued some guidance on the law last October.

While AGC/CT respects the committee's desire to try to control the cost of state-funded school building projects, AGC/CT does not believe the amendment was the way to do so. Indeed, AGC/CT respectfully submits that, over time, it will have the opposite effect: it will lead to increased costs in the form of delays and change orders and, possibly, litigation, due to inexperienced, underqualified persons serving as construction managers. Many public building owners and professionals who have a great deal of experience in

administering these projects also believe it will lead to increased costs and potential exposure for cities and towns—as well as the state. Indeed, some towns in the state are already experiencing problems with the new law. Griswold and Trumbull, for instance, have experienced delays on school construction or renovation projects in their towns since the new law went into effect.

Construction managers as well as architects deliver a professional service for which a competitive bid process does not work well. Construction management services are not like a product, such as desks, carpeting or steel, bricks and mortar, for which companies can easily compete on price. There are many qualities and variables such as work experience, knowledge and other characteristics that are difficult to quantify in a competitive bid process for which the new law simply does not work.

AGC/CT believes SB 646 should be amended to allow cities and towns across the state to adopt a qualification-based selection process, which has worked well in some state agencies, such as the Department of Public Works, other states and in the federal procurement process. A QBS process would give local school building committees the tools they need to evaluate professionals who seek to work on projects in their district.

A QBS process allows a community to define what is needed, to draft a scope of work for professional services that reflects its needs and expectations, develop a scoring system that reflects its needs and priorities, and then advertise a request for proposals. The most qualified professional is then selected and only then do the parties enter into contract negotiations. The professional is asked to prepare cost proposals. These discussions end with both the town and professional having a better understanding of each other's expectations, reducing the potential for later disappointment.

Senate Bill 683, An Act Concerning Municipal Construction, before the Government Administration and Elections Committee, would do just that. AGC would support the bill if it were so amended.

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