



912 Silas Deane Highway
Wethersfield, CT 06109

Tel: 860.529.6855

Fax: 860.563.0616

ccia-info@ctconstruction.org

www.ctconstruction.org

Senate Bill 248, An Act Concerning Public Works Projects and the Threshold for Competitive Bidding, Subcontractor Prequalification, Construction Manager-At Risk Project Delivery Contracts, the Hiring of Consultants and the Purchasing of Certain Property and Services.

March 3, 2014

Public Hearing, Committee on Government Administration and Elections

Connecticut Construction Industries Association, Inc. (CCIA) represents the commercial construction industry in the state and seeks to advance and promote a better quality of life for all citizens in the state. Formed over 40 years ago, CCIA is an organization of associations, where all sectors of the commercial construction industry work together to advance and promote their shared interests. CCIA is comprised of more than 300 members, including contractors, subcontractors, suppliers and affiliated organizations representing many sectors of the construction industry. CCIA members have a long history of providing quality work for the public benefit.

AGC of Connecticut is the building division of CCIA, representing 150 commercial, industrial, and institutional construction contractors, subcontractors, material suppliers and professionals serving the Connecticut construction industry. AGC is a chapter of AGC of America.

Senate Bill 248, An Act Concerning Public Works Projects and the Threshold for Competitive Bidding, Subcontractor Prequalification, Construction Manager-At Risk Project Delivery Contracts, the Hiring of Consultants and the Purchasing of Certain Property and Services would make comprehensive changes to the Department of Administrative Services' construction statutes. AGC of Connecticut supports the bill and offers the following comments on its contents.

The bill increases the threshold for requiring DAS construction contracts to be awarded to the lowest responsible and qualified bidder from \$500,000 to \$1.5 million. The bill also calls for an alternative procurement procedure for projects between \$500,000 and \$1.5 million. While we support the increase in the threshold and the concept of an alternative procurement procedure, we believe the process as described on lines 91 through 99 of the bill is vague from the standpoint of describing the mechanics of how that alternative process would work. In order to ensure that the process is as open and fair as possible, we believe the department should provide more detailed written procedures, whether that information is contained in the bill itself or is promulgated through the regulatory process.

We also support the provision in the bill that requires subcontractors to be prequalified at the time of bid submittal. Without such a requirement, experience has shown that, if a subcontractor is not prequalified at the time of the bid, the time required for a subcontractor to finalize the prequalification process could lead to delays between when a subcontractor submits the bid and when the subcontract is signed.



AGCCT



The bill allows the construction manager at risk to prepare the site prior to the completion of the guaranteed maximum price and to allow such price to be determined in phases. We support the concept of allowing certain elements of the project to begin prior to the final submittal of the guaranteed maximum price as it can help accelerate the construction process, save time, and avoid delays to the project. The advantage of this approach is that the contractor can proceed with site work and other preliminary matters prior to receiving final drawings. Depending on many variables, including the complexity of the project, preparing and finalizing the GMP can require much time and preparation which, under the state's current rules, can result in unnecessary upfront delays. These delays can be avoided where such rules are not in place – in private sector construction, for example – where it is common for the CM at-risk to proceed without final drawings. We believe construction management at risk can operate in this way in the public sector as well, and, therefore, support the intent behind S.B. 248.

Thank you for your consideration and for the opportunity to present our views. Please contact John Butts, AGC/CT Executive Director at 860-529-6855, or at jbutts@ctconstruction.org if you have any questions or if you need additional information.