

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
92nd General Assembly
Regular Session, 2019

As Engrossed: H3/18/19 S4/5/19
A Bill

HOUSE BILL 1693

By: Representatives Wing, Payton

By: Senator M. Pitsch

For An Act To Be Entitled

AN ACT TO AMEND THE CONSTRUCTION MANAGER-GENERAL
CONTRACTOR METHOD OF PROCUREMENT PILOT PROGRAM; AND
FOR OTHER PURPOSES.

Subtitle

TO AMEND THE CONSTRUCTION MANAGER-GENERAL
CONTRACTOR METHOD OF PROCUREMENT PILOT
PROGRAM.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 19-11-1402 is amended to read as follows:
19-11-1402. Legislative findings.

The General Assembly finds that:

(1) An efficient transportation system is critical for
Arkansas's economy and the quality of life of the state's residents;

(2) Transportation projects are costly and the revenues
currently available for highways and local roads are inadequate to preserve
and maintain existing infrastructure and to provide funds for highway
improvements;

(3) The State Highway Commission ~~is interested in developing~~ has
developed an alternative, cost-effective, procurement procedure for
transportation projects performed by the commission and the Arkansas
Department of Transportation;

(4) ~~Other states have begun to explore the utilization of a
construction manager-general contractor method as a cost-effective and~~



~~efficient option for constructing transportation projects, including the State of California, which applies the construction manager-general contractor method when it is anticipated that the use of the construction manager-general contractor method will reduce transportation project costs or expedite transportation project completion in a manner that is not achievable through the design-bid-build method;~~

~~(5)~~ A construction manager-general contractor method allows the commission to engage a construction manager:

(A) To assist during the design and development process of the transportation project, including without limitation to provide input concerning the transportation project's:

- (i) Design;
- (ii) Scheduling;
- (iii) Pricing; and
- (iv) Phasing; and

(B) Who may subsequently become the general contractor and construct the transportation project if the parties agree on a guaranteed maximum price; and

~~(6)~~(5) The cost-effective benefits are achieved by shifting the liability and risk for cost containment and transportation project scheduling to the construction manager, which leads many states to call this method the "construction manager at-risk method".

SECTION 2. Arkansas Code § 19-11-1404(b), concerning the creation of the Construction Manager-General Contractor Method of Procurement Pilot Program, is amended to read as follows:

(b)(1) During the term of the program the commission may select a total of ~~three (3)~~ five (5) transportation projects on which to utilize the construction manager-general contractor method.

(2)(A) The sum of the construction cost estimates prepared as required under § 19-11-1407 of all ~~three (3)~~ five (5) construction manager-general contractor method transportation projects shall not exceed two hundred million dollars (\$200,000,000).

(B) ~~The construction cost estimate of the first construction manager-general contractor method transportation project shall not exceed seventy million dollars (\$70,000,000).~~

~~(C) The sum of the A~~ construction cost ~~estimates~~ estimate ~~of the remaining two (2) of a~~ construction manager-general contractor method transportation ~~projects~~ project shall not exceed one hundred million dollars (\$100,000,000).

SECTION 3. Arkansas Code § 19-11-1404(d), concerning the creation of the Construction Manager-General Contractor Method of Procurement Pilot Program, is amended to read as follows:

(d) A The program established under this subchapter shall terminate no later than June 30, ~~2022~~ 2024.

SECTION 4. Arkansas Code § 19-11-1405 is amended to read as follows:
19-11-1405. Project selection.

~~(a) The Arkansas Department of Transportation shall not initiate another construction manager-general contractor method transportation project until after a contract for construction of the first construction manager-general contractor method transportation project has been awarded.~~

~~(b) If the department~~ Arkansas Department of Transportation determines that a construction manager-general contractor method of procurement is appropriate for a transportation project, the department shall establish a procedure for awarding the contract for construction of the construction manager-general contractor method transportation project using the criteria listed in § 19-11-1406.

/s/Wing