A bill to be entitled 1 2 An act relating to public project construction bonds; 3 amending s. 255.05, F.S.; providing that the amount of a bond shall equal the contract price except under certain 4 5 conditions; providing that a bond may not be conditioned on the performance of design or nonconstruction services 6 7 if such services are not included in the bond amount; 8 creating s. 255.103, F.S.; providing a definition; 9 authorizing local governments to select constructionmanagement or program-management entities to be 10 responsible for certain construction project activities; 11 providing requirements and authority for such entities; 12 amending s. 287.055, F.S.; revising provisions relating to 13 the award of design-build contracts for surveying or 14 mapping services by certain governmental entities; 15 16 providing an effective date. 17 Be It Enacted by the Legislature of the State of Florida: 18 19 Section 1. 20 Paragraph (c) is added to subsection (1) of section 255.05, Florida Statutes, to read: 21 255.05 Bond of contractor constructing public buildings; 22 form; action by materialmen. --23 24 (1)25 (c)1. The amount of the bond shall equal the contract 26 price, except that for a contract in excess of \$250 million, if the state, county, municipality, political subdivision, or other 27 public entity finds that a bond in the amount of the contract 28 Page 1 of 6

CODING: Words stricken are deletions; words underlined are additions.

hb1489-03-e2

29	price is not reasonably available, the public owner shall set
30	the amount of the bond at the largest amount reasonably
31	available, but not less than \$250 million.
32	2. For a construction-management or design-build
33	contracts, if the public owner does not include in the bond
34	amount the cost of design or other nonconstruction services, the
35	bond may not be conditioned on performance of such services or
36	payment to persons furnishing such services. Notwithstanding
37	paragraph (a), such a bond may exclude persons furnishing such
38	services from the classes of persons protected by the bond.
39	Section 2. Section 255.103, Florida Statutes, is created
40	to read:
41	255.103 Construction management or program management
42	entities
43	(1) "As used in this section, the term "local government"
44	means a county, municipality, special district as defined in
45	chapter 189, or other political subdivision of the state.
46	(2) A local government may select a construction
47	management entity, pursuant to the process provided by s.
48	287.055, which is to be responsible for construction project
49	scheduling and coordination in both preconstruction and
50	construction phases and generally responsible for the
51	successful, timely, and economical completion of the
52	construction project. The construction management entity must
53	consist of or contract with licensed or registered professionals
54	for the specific fields or areas of construction to be
55	performed, as required by law. The construction management
56	entity may retain necessary design professionals selected under
I	Page 2 of 6

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

1	
57	the process provided in s. 287.055. At the option of the local
58	government, the construction management entity, after having
59	been selected and after competitive negotiations, may be
60	required to offer a guaranteed maximum price and a guaranteed
61	completion date or a lump-sum price and a guaranteed completion
62	date, in which case, the construction management entity must
63	secure an appropriate surety bond pursuant to s. 255.05 and must
64	hold construction subcontracts. If a project, as defined in s.
65	287.055(2)(f), solicited by a local government under the process
66	provided in s. 287.055 includes a grouping of substantially
67	similar construction, rehabilitation, or renovation activities
68	as permitted under s. 287.055(2)(f), the local government, after
69	competitive negotiations, may require the construction
70	management entity to provide for a separate guaranteed maximum
71	price or a separate lump-sum price and a separate guaranteed
72	completion date for each grouping of substantially similar
73	construction, rehabilitation, or renovation activities included
74	within the project.
75	(3) A local government may select a program management
76	entity, pursuant to the process provided by s. 287.055, which is
77	to be responsible for schedule control, cost control, and
78	coordination in providing or procuring planning, design, and
79	construction services. The program management entity must
80	consist of or contract with licensed or registered professionals
81	for the specific areas of design or construction to be performed
82	as required by law. The program management entity may retain
83	necessary design professionals selected under the process
84	provided in s. 287.055. At the option of the local government,
ļ	Dago 3 of 6

Page 3 of 6

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

FLORIDA HOUSE OF REPRESENTATIVES	F	L	0	R		D	Α		Н	0	U	S	Е	0	F	F	2	Е	Р	R	Е	S	Е	Ν	Т	Α	Т	Ι	V	Е	S
----------------------------------	---	---	---	---	--	---	---	--	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

85	the program management entity, after having been selected and
86	after competitive negotiations, may be required to offer a
87	guaranteed maximum price and a guaranteed completion date or a
88	lump-sum price and guaranteed completion date, in which case the
89	program management entity must secure an appropriate surety bond
90	pursuant to s. 255.05 and must hold design and construction
91	subcontracts. If a project, as defined in s. 287.055(2)(f),
92	solicited by a local government under the process provided in s.
93	287.055 includes a grouping of substantially similar
94	construction, rehabilitation, or renovation activities as
95	permitted under s. 287.055(2)(f), the local government, after
96	competitive negotiations, may require the program management
97	entity to provide for a separate guaranteed maximum price or a
98	lump-sum price and a separate guaranteed completion date for
99	each grouping of substantially similar construction,
100	rehabilitation, or renovation activities included within the
101	project.
102	(4) This section does not prohibit a local government from
103	procuring construction management services, including the
104	services of a program management entity, pursuant to the
105	requirements of s. 255.20.
106	Section 3. Paragraph (c) of subsection (9) of section
107	287.055, Florida Statutes, is amended to read:
108	287.055 Acquisition of professional architectural,
109	engineering, landscape architectural, or surveying and mapping
110	services; definitions; procedures; contingent fees prohibited;
111	penalties
112	(9) APPLICABILITY TO DESIGN-BUILD CONTRACTS
I	Page 4 of 6

CODING: Words stricken are deletions; words underlined are additions.

113 Except as otherwise provided in s. 337.11(7), the (C) 114 Department of Management Services shall adopt rules for the award of design-build contracts to be followed by state 115 agencies. Each other agency must adopt rules or ordinances for 116 117 the award of design-build contracts. Municipalities, political subdivisions, school districts, and school boards shall award 118 119 design-build contracts by the use of a competitive proposal selection process as described in this subsection, or by the use 120 121 of a qualifications-based selection process pursuant to 122 subsections (3), (4), and (5) for entering into a contract whereby the selected firm will, subsequent to competitive 123 negotiations, subsequently establish a guaranteed maximum price 124 and guaranteed completion date. If the procuring agency elects 125 126 the option of qualifications-based selection, during the selection of the design-build firm the procuring agency shall 127 128 employ or retain a licensed design professional appropriate to 129 the project to serve as the agency's representative. Procedures 130 for the use of a competitive proposal selection process must 131 include as a minimum the following:

1321. The preparation of a design criteria package for the133design and construction of the public construction project.

The qualification and selection of no fewer than three
 design-build firms as the most qualified, based on the
 qualifications, availability, and past work of the firms,
 including the partners or members thereof.

138 3. The criteria, procedures, and standards for the 139 evaluation of design-build contract proposals or bids, based on 140 price, technical, and design aspects of the public construction Page 5 of 6

CODING: Words stricken are deletions; words underlined are additions.

141 project, weighted for the project.

4. The solicitation of competitive proposals, pursuant to
a design criteria package, from those qualified design-build
firms and the evaluation of the responses or bids submitted by
those firms based on the evaluation criteria and procedures
established prior to the solicitation of competitive proposals.

5. For consultation with the employed or retained design criteria professional concerning the evaluation of the responses or bids submitted by the design-build firms, the supervision or approval by the agency of the detailed working drawings of the project; and for evaluation of the compliance of the project construction with the design criteria package by the design criteria professional.

6. In the case of public emergencies, for the agency head to declare an emergency and authorize negotiations with the best qualified design-build firm available at that time.

157

Section 4. This act shall take effect July 1, 2007.

Page 6 of 6

CODING: Words stricken are deletions; words underlined are additions.