LEGISLATIVE ACTION

Senate Comm: RCS 02/02/2022 House

Appropriations Subcommittee on Transportation, Tourism, and Economic Development (Hooper) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert: Section 1. Subsection (3) of section 206.46, Florida Statutes, is amended to read:

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> 206.46 State Transportation Trust Fund.-(3) <u>Unless otherwise specified in the General</u> <u>Appropriations Act</u>, each fiscal year, <u>at least</u> a minimum of 15

10 percent but not more than 25 percent of all state revenues

COMMITTEE AMENDMENT

Florida Senate - 2022 Bill No. CS for SB 398

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11 deposited into the State Transportation Trust Fund, excluding 12 <u>state revenues used for matching federal grants</u>, shall be 13 committed annually by the department for public transportation 14 projects in accordance with chapter 311, ss. 332.003-332.007, 15 chapter 341, and chapter 343.

Section 2. Section 337.025, Florida Statutes, is amended to read:

18 337.025 Innovative transportation projects; department to 19 establish program.-

20 (1) The department may establish a program for 21 transportation projects demonstrating innovative techniques of 22 highway and bridge design, construction, maintenance, and 23 finance which have the intended effect of measuring resiliency 24 and structural integrity and controlling time and cost increases 25 on construction projects. Such techniques may include, but are 26 not limited to, state-of-the-art technology for pavement, 27 safety, and other aspects of highway and bridge design, 28 construction, and maintenance; innovative bidding and financing 29 techniques; progressive design-build contracts as specified in 30 subsection (2); accelerated construction procedures; and those 31 techniques that have the potential to reduce project life cycle 32 costs. To the maximum extent practical, the department must use 33 the existing process to award and administer construction and 34 maintenance contracts. When specific innovative techniques are 35 to be used, the department is not required to adhere to those 36 provisions of law that would prevent, preclude, or in any way 37 prohibit the department from using the innovative technique. 38 However, before using an innovative technique that is inconsistent with another provision of law, the department must 39

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40 document in writing the need for the exception and identify what 41 benefits the traveling public and the affected community are 42 anticipated to receive. The department may enter into no more 43 than \$120 million in contracts awarded annually for the purposes 44 authorized by this section.

45 (2) If the department determines that it is in the best 46 interests of the public, the department may combine the design 47 and construction phases of a project into a single contract and 48 select the design-build firm in the early stages of a project to 49 ensure that the design-build firm is part of the collaboration 50 and development of the design as part of a step-by-step 51 progression through construction. Such contract is referred to 52 as a progressive design-build contract. For progressive design-53 build contracts, the selection and award processes must include 54 a two-phase process. For phase one, the department shall 55 competitively award the contract to a design-build firm based 56 upon qualifications. For phase two, the design-build firm shall 57 competitively bid construction trade subcontractor packages and, 58 based upon these bids, negotiate with the department a fixed 59 firm price or guaranteed maximum price that meets the project 60 budget and scope as advertised in the request for 61 qualifications. 62 (3) The annual cap on contracts provided in subsection (1) 63 does not apply to: 64 (a) Turnpike enterprise projects. 65 (b) Progressive design-build contracts for complex, high-66 risk projects with a minimum contract value of \$400 million Low-67 bid design-build milling and resurfacing contracts. Section 3. Paragraph (a) of subsection (7) of section 68

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69 337.11, Florida Statutes, is amended to read:

337.11 Contracting authority of department; bids; emergency repairs, supplemental agreements, and change orders; combined design and construction contracts; progress payments; records; requirements of vehicle registration.-

74 (7) (a) If the department determines that it is in the best 75 interests of the public, the department may combine the design 76 and construction phases of a building, a major bridge, a limited 77 access facility, or a rail corridor project into a single 78 contract. Such contract is referred to as a design-build 79 contract. Design-build contracts may be advertised and awarded 80 notwithstanding the requirements of paragraph (3)(c). However, 81 construction activities may not begin on any portion of such 82 projects for which the department has not yet obtained title to the necessary rights-of-way and easements for the construction 83 84 of that portion of the project has vested in the state or a 85 local governmental entity and all railroad crossing and utility agreements have been executed. Title to rights-of-way shall be 86 87 deemed to have vested in the state when the title has been dedicated to the public or acquired by prescription. 88

89 Section 4. Subsection (1) of section 337.1101, Florida 90 Statutes, is amended to read:

337.1101 Contracting and procurement authority of the department; settlements; notification required.-

(1) When the department, or any entity or enterprise within the department, determines that it is in the best interest of the public to resolve a protest filed in accordance with s. 120.57(3) of the award of a contract being procured pursuant to s. 337.11 or related to the purchase of personal property or

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98 contractual services being procured pursuant to s. 287.057, 99 through a settlement that requires the department to pay a nonselected responsive bidder a total sum of \$1 million or more, 100 101 including any amount paid pursuant to s. 334.049, any amount 102 paid pursuant to s. 337.11(8) which is not included in the 103 department's work program approved by the Legislature as part of 104 the General Appropriations Act, or any amount paid pursuant to 105 any other law, the department must:

(a) Document in a written memorandum by the secretary the specific reasons that such settlement and payment to a nonselected responsive bidder is in the best interest of the state. The written memorandum must be included and maintained in the department's permanent files concerning the procurement and must include:

112 1. A description of the property rights, patent rights, 113 copyrights, trademarks, or the engineering design or other 114 design work that the department will acquire or retain as a 115 result of such settlement; and

116 2. The specific appropriation in the existing General 117 Appropriations Act which the department intends to use to 118 provide such payment.

119 (b) Provide prior written notification to the President of 120 the Senate, the Speaker of the House of Representatives, the 121 Senate and House of Representatives minority leaders, the chair 122 and vice chair of the Legislative Budget Commission, and the 123 Attorney General at least 5 business days, or as soon thereafter 124 as practicable, before the department makes the settlement 125 agreement final. Such written notification must include the written memorandum required pursuant to paragraph (a). 126

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(c) Provide, at the time settlement discussions regarding any such payment have begun in earnest, written notification of such discussions to the President of the Senate, the Speaker of the House of Representatives, the Senate and House of Representatives minority leaders, the chair and vice chair of the Legislative Budget Commission, and the Attorney General.

Section 5. Subsections (1), (4), and (7) of section 337.14, Florida Statutes, are amended to read:

337.14 Application for gualification; certificate of qualification; restrictions; request for hearing.-

(1) Any contractor desiring to bid for the performance of any construction contract in excess of \$250,000 which the department proposes to let must first be certified by the department as qualified pursuant to this section and rules of the department. The rules of the department must address the qualification of contractors to bid on construction contracts in excess of \$250,000 and must include requirements with respect to the equipment, past record, experience, financial resources, and organizational personnel of the applying contractor which are necessary to perform the specific class of work for which the contractor seeks certification. Any contractor who desires to bid on contracts in excess of \$50 million and who is not qualified and in good standing with the department as of January 1, 2019, must first be certified by the department as qualified and must have satisfactorily completed two projects, each in excess of \$15 million, for the department or for any other state department of transportation. The department may limit the dollar amount of any contract upon which a contractor is 155 qualified to bid or the aggregate total dollar volume of

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156 contracts such contractor is allowed to have under contract at 157 any one time. Each applying contractor seeking qualification to 158 bid on construction contracts in excess of \$250,000 shall 159 furnish the department a statement under oath, on such forms as 160 the department may prescribe, setting forth detailed information as required on the application. Each application for 161 certification must be accompanied by audited, certified 162 163 financial statements prepared in accordance with generally 164 accepted accounting principles and auditing standards by a 165 certified public accountant licensed in this state or another 166 state. The audited, certified financial statements must be for 167 the applying contractor and must have been prepared within the 168 immediately preceding 12 months. The department may not consider 169 any financial information of the parent entity of the applying 170 contractor, if any. The department may not certify as qualified any applying contractor who fails to submit the audited, 171 172 certified financial statements required by this subsection. If 173 the application or the annual financial statement shows the 174 financial condition of the applying contractor more than 4 175 months before the date on which the application is received by 176 the department, the applicant must also submit interim audited, 177 certified financial statements prepared in accordance with 178 generally accepted accounting principles and auditing standards by a certified public accountant licensed in this state or 179 180 another state. The interim financial statements must cover the 181 period from the end date of the annual statement and must show 182 the financial condition of the applying contractor no more than 183 4 months before the date that the interim financial statements are received by the department. However, upon the request of the 184



185 applying contractor, an application and accompanying annual or 186 interim financial statement received by the department within 15 187 days after either 4-month period under this subsection shall be 188 considered timely. An applying contractor desiring to bid 189 exclusively for the performance of construction contracts with 190 proposed budget estimates of less than \$2 \$1 million may submit 191 reviewed annual or reviewed interim financial statements 192 prepared by a certified public accountant. The information required by this subsection is confidential and exempt from s. 193 119.07(1). The department shall act upon the application for 194 195 qualification within 30 days after the department determines 196 that the application is complete. The department may waive the 197 requirements of this subsection for projects having a contract 198 price of \$500,000 or less if the department determines that the 199 project is of a noncritical nature and the waiver will not 200 endanger public health, safety, or property.

201 (4) If the applicant is found to possess the prescribed 202 qualifications, the department shall issue to him or her a 203 certificate of qualification that, unless thereafter revoked by 204 the department for good cause, will be valid for a period of 18 205 months after the date of the applicant's financial statement or 206 such shorter period as the department prescribes. Submission of 207 an application does and subsequent approval do not affect expiration of the certificate of qualification, the ability 208 209 factor of the applicant, or the maximum capacity rating of the 210 applicant. An applicant may submit a written request with a 211 timely submitted application to keep an existing certificate of 212 qualification in place until the expiration date. If the request 213 is approved by the department, the current maximum capacity

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214 rating of the applicant must remain in place until expiration of 215 the current certificate of qualification. If the department 216 finds that an application is incomplete or contains inadequate 217 information or information that cannot be verified, the 218 department may request in writing that the applicant provide the 219 necessary information to complete the application or provide the 220 source from which any information in the application may be 221 verified. If the applicant fails to comply with the initial written request within a reasonable period of time as specified 2.2.2 223 therein, the department shall request the information a second 224 time. If the applicant fails to comply with the second request 225 within a reasonable period of time as specified therein, the 226 application shall be denied.

227 (7) A "contractor" as defined in s. 337.165(1)(d) or his or 228 her "affiliate" as defined in s. 337.165(1)(a) qualified with 229 the department under this section may not also qualify under s. 230 287.055 or s. 337.105 to provide testing services, construction, 231 engineering, and inspection services to the department. This 232 limitation does not apply to any design-build, including 233 progressive design-build, prequalification under s. 337.11(7) 234 and does not apply when the department otherwise determines by 235 written order entered at least 30 days before advertisement that the limitation is not in the best interests of the public with 236 237 respect to a particular contract for testing services, 238 construction, engineering, and inspection services. This 239 subsection does not authorize a contractor to provide testing 240 services, or provide construction, engineering, and inspection 241 services, to the department in connection with a construction contract under which the contractor is performing any work. 242

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243 Notwithstanding any other provision of law to the contrary, for 244 a project that is wholly or partially funded by the department 245 and administered by a local governmental entity, except for a 246 seaport listed in s. 311.09 or an airport as defined in s. 247 332.004, the entity performing design and construction 248 engineering and inspection services may not be the same entity. Section 6. Section 337.168, Florida Statutes, is amended to 249 250 read:

337.168 Confidentiality of official estimates, identities of potential bidders, and bid analysis and monitoring system.-

(1) A document or electronic file revealing the official cost estimate of the department of a project is confidential and exempt from the provisions of s. 119.07(1) until the contract for the project has been executed or until the project is no longer under active consideration.

258 (2) A document that reveals the identity of a person who 259 has requested or obtained a bid package, plan, or specifications pertaining to any project to be let by the department is 261 confidential and exempt from the provisions of s. 119.07(1) for the period that begins 2 working days before the deadline for 263 obtaining bid packages, plans, or specifications and ends with the letting of the bid. A document that reveals the identity of a person who has requested or obtained a bid package, plan, or specifications pertaining to any project to be let by the department before the 2 working days before the deadline for obtaining bid packages, plans, or specifications remains a 269 public record subject to s. 119.07(1).

270 (3) The bid analysis and monitoring system of the 271 department is confidential and exempt from the provisions of s.



272	119.07(1). This exemption applies to all system documentation,
273	input, computer processes and programs, electronic data files,
274	and output, but does not apply to the actual source documents,
275	unless otherwise exempted under other provisions of law.
276	Section 7. This act shall take effect July 1, 2022.
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278	========== T I T L E A M E N D M E N T =================================
279	And the title is amended as follows:
280	Delete everything before the enacting clause
281	and insert:
282	A bill to be entitled
283	An act relating to transportation projects; amending
284	s. 206.46, F.S.; revising the requirement for the
285	annual commitment of State Transportation Trust Fund
286	revenues for public transportation projects by the
287	Department of Transportation; amending s. 337.025,
288	F.S.; providing that the department's program for
289	innovative transportation projects may include
290	progressive design-build contracts; authorizing the
291	department to enter into a progressive design-build
292	contract if it makes a certain determination;
293	providing procedures and requirements for progressive
294	design-build contracts; revising contracts exempt from
295	a specified annual monetary cap on contracts; amending
296	s. 337.11, F.S.; revising the department's authority
297	relating to design-build contracts; amending s.
298	337.1101, F.S.; revising the calculation of a certain
299	settlement paid to a nonselected responsive bidder
300	which requires the department to maintain certain



301 records and provide certain notices to the Legislature 302 and Attorney General; amending s. 337.14, F.S.; 303 revising a dollar limit of proposed budget estimates 304 of construction contracts for which an applying 305 contractor may submit certain financial statements; 306 revising procedures relating to certificates of qualification issued by the department to construction 307 308 contractors seeking certification to bid on certain 309 contracts; exempting progressive design-build 310 pregualifications from a certain restriction on 311 contractors and their affiliates; amending s. 337.168, 312 F.S.; deleting a public records exemption for certain 313 documents revealing the identity of a potential 314 bidder; providing an effective date.