Stricken language would be deleted from and underlined language would be added to present law. Act 1019 of the Regular Session

1	State of Arkansas As Engrossed: H3/18/19 S4/5/19	
2	92nd General Assembly A Bill	
3	Regular Session, 2019HOUSE BILL 169	3
4		
5	By: Representatives Wing, Payton	
6	By: Senator M. Pitsch	
7		
8	For An Act To Be Entitled	
9	AN ACT TO AMEND THE CONSTRUCTION MANAGER-GENERAL	
10	CONTRACTOR METHOD OF PROCUREMENT PILOT PROGRAM; AND	
11	FOR OTHER PURPOSES.	
12		
13		
14	Subtitle	
15	TO AMEND THE CONSTRUCTION MANAGER-GENERAL	
16	CONTRACTOR METHOD OF PROCUREMENT PILOT	
17	PROGRAM.	
18		
19		
20	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:	
21		
22	SECTION 1. Arkansas Code § 19-11-1402 is amended to read as follows:	
23	19-11-1402. Legislative findings.	
24	The General Assembly finds that:	
25	(1) An efficient transportation system is critical for	
26	Arkansas's economy and the quality of life of the state's residents;	
27	(2) Transportation projects are costly and the revenues	
28	currently available for highways and local roads are inadequate to preserve	
29	and maintain existing infrastructure and to provide funds for highway	
30	improvements;	
31	(3) The State Highway Commission <del>is interested in developing</del> <u>has</u>	;
32	developed an alternative, cost-effective, procurement procedure for	
33	transportation projects performed by the commission and the Arkansas	
34	Department of Transportation;	
35	(4) Other states have begun to explore the utilization of a	
36	construction manager-general contractor method as a cost-effective and	



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1 efficient option for constructing transportation projects, including the 2 State of California, which applies the construction manager general 3 contractor method when it is anticipated that the use of the construction 4 manager general contractor method will reduce transportation project costs or 5 expedite transportation project completion in a manner that is not achievable 6 through the design-bid-build method; 7 (5) A construction manager-general contractor method allows the 8 commission to engage a construction manager: 9 (A) To assist during the design and development process of 10 the transportation project, including without limitation to provide input 11 concerning the transportation project's: 12 (i) Design; 13 (ii) Scheduling; 14 (iii) Pricing; and 15 (iv) Phasing; and 16 (B) Who may subsequently become the general contractor and 17 construct the transportation project if the parties agree on a guaranteed 18 maximum price; and 19 (6)(5) The cost-effective benefits are achieved by shifting the 20 liability and risk for cost containment and transportation project scheduling to the construction manager, which leads many states to call this method the 21 22 "construction manager at-risk method". 23 24 SECTION 2. Arkansas Code § 19-11-1404(b), concerning the creation of 25 the Construction Manager-General Contractor Method of Procurement Pilot 26 Program, is amended to read as follows: 27 (b)(1) During the term of the program the commission may select a 28 total of three (3) five (5) transportation projects on which to utilize the 29 construction manager-general contractor method. 30 (2)(A) The sum of the construction cost estimates prepared as 31 required under § 19-11-1407 of all three (3) five (5) construction manager-32 general contractor method transportation projects shall not exceed two 33 hundred million dollars (\$200,000,000). 34 (B) The construction cost estimate of the first construction manager general contractor method transportation project shall 35 36 not exceed seventy million dollars (\$70,000,000).

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1 (C) The sum of the A construction cost estimates estimate 2 of the remaining two (2) of a construction manager-general contractor method 3 transportation projects project shall not exceed one hundred million dollars 4 (\$100,000,000). 5 6 SECTION 3. Arkansas Code § 19-11-1404(d), concerning the creation of 7 the Construction Manager-General Contractor Method of Procurement Pilot 8 Program, is amended to read as follows: 9 (d) A The program established under this subchapter shall terminate no 10 later than June 30, <del>2022</del> 2024. 11 12 SECTION 4. Arkansas Code § 19-11-1405 is amended to read as follows: 13 19-11-1405. Project selection. 14 (a) The Arkansas Department of Transportation shall not initiate 15 another construction manager-general contractor method transportation project 16 until after a contract for construction of the first construction manager-17 general contractor method transportation project has been awarded. 18 (b) If the department Arkansas Department of Transportation determines 19 that a construction manager-general contractor method of procurement is 20 appropriate for a transportation project, the department shall establish a 21 procedure for awarding the contract for construction of the construction 22 manager-general contractor method transportation project using the criteria 23 listed in § 19-11-1406. 24 25 26 /s/Wing 27 28 APPROVED: 4/15/19 29 30 31 32 33 34 35

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