

Agenda Report

TO: City Council June 15, 1999

THROUGH: Legislative Committee

FROM: City Manager

SUBJECT: Support for Assembly Bill 958 (Scott) – *Transit Design-Build Procurement Act*

RECOMMENDATION

It is recommended that the City Council adopt the attached resolution **supporting** Assembly Bill 958 (Scott) – *Transit Design-Build Procurement Act* and authorize the Mayor to send letters to the appropriate authorities stating Pasadena's position.

BACKGROUND

On February 25, 1999 Assembly Member Jack Scott introduced AB 958 which would enact the *Transit Design-Build Procurement Act*. This bill would allow transit districts, cities, and counties to use the design-build method of constructing buildings, structures and related facilities in connection with transit capital projects. The bill would also create a new misdemeanor crime. Contractors bidding on such projects would have to declare that required information they submit concerning their qualifications is true and it is not, be subject to the misdemeanor penalty. If passed, this bill would sunset on January 1, 2003.

Specifically, AB 958 does the following: defines the design-build process; specifies the scope of the project; allows entities to pre-qualify bidders prior to soliciting bids; and specifies criteria for pre-qualification (e.g. appropriate licensing and registration, experience, and financial strength).

This bill would be beneficial because it would allow cities and other entities the flexibility to hire one contractor to both design and construct a facility. The design-build method can improve the project delivery process in several key areas since it:

- Accelerates delivery schedules and saves costs by promoting improved coordination between the contractor and the architect;
- Shifts management risk from the public entity to the design-build entity; and
- Minimizes change orders through early collaboration between design and construction disciplines.

Pasadena successfully used this method to construct the Public Works building at the City Yards. Passage of this bill will allow the Los Angeles to Pasadena Metro Blue Line Construction Authority the flexibility to select this option.

The American General Contractors, along with the California Transit Association, are co-sponsors of this legislation.

Bill Status

On May 25, 1999, AB 958 passed the Assembly (ayes 73, noes 1) and is now in the Senate Rules Committee awaiting assignment.

FISCAL IMPACT

Passage of AB 958 will allow Pasadena and other entities the flexibility to hire one entity to provide architectural, engineering, and construction services for capital transit projects. This can be done at a lower cost than the traditional design-bid-build process where an architect is hired as general contractor and bids are taken for construction, and the lowest bidder is selected as an independent contractor.

Respectfully submitted,



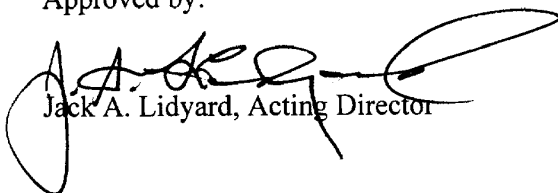
CYNTHIA J. KURTZ
City Manager

Prepared by:



Brenda E. Harvey-Williams
Finance and Management Services Administrator
Public Works and Transportation Department

Approved by:



Jack A. Lidyard, Acting Director