

Alaska State Legislature

Legislative Affairs Agency

Administrative Services, Procurement & Supply Section
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MEMORANDUM

TO: Representative Sara Hannan, Chair
Legislative Council

FROM: JC Kestel, Procurement Officer

DATE: August 15, 2022

SUBJ: Amendment to the Alaska Legislative Procurement Procedures

The Agency proposes an amendment to add a new section (Sec. 036 – CONSTRUCTION MANAGER GENERAL CONTRACTOR SOLICITATIONS AND CONTRACTS) to the Alaska Legislative Procurement Procedures (LPP) which allows for Construction Manager General Contractor solicitations and contract awards. This amendment enables the Legislature to issue phased design/build contracts, which is the most economical and efficient way to develop the scope for a large construction project. Department of Transportation and Public Facilities (DOT&PF) regularly uses this type of procurement for construction projects and recently amended the State Procurement Code to specifically allow for this phased approach.

I am happy to answer questions or provide additional detail.

Attachment

MOTION: I MOVE THAT LEGISLATIVE COUNCIL ADOPT AMENDMENT 1 TO THE ALASKA LEGISLATIVE PROCUREMENT PROCEDURES AND ALLOW LEGISLATIVE LEGAL TO MAKE ANY TECHNICAL AND CONFORMING CHANGES TO THE DRAFT AMENDMENT.

AMENDMENT NO. 1

* **Section 1.** The Alaska Legislative Procurement Procedures are amended by adding a new section to read:

Sec. 036. CONSTRUCTION MANAGER GENERAL CONTRACTOR SOLICITATIONS AND CONTRACTS.

(a) An agency may procure by competitive sealed proposals construction manager general contractor contracts in which the agency awards a preconstruction services contract to a contractor to provide preconstruction services during the design phase of a project and, if an agreed-on price for constructing the project is reached with that contractor, awards a construction services contract to the contractor to provide construction services during the construction phase of the project.

(b) Once awarded a preconstruction services contract under (a) of this section, the agency may negotiate with the contractor to provide construction services for the project. If the contractor and the agency reach an agreed-on price to provide construction services for the project, the agency may award the contractor a contract to provide construction services for the project without any further competitive sealed bidding or competitive sealed proposal process. An agency is under no obligation to negotiate with a contractor for a contract to provide construction services under this section.

(c) If the contractor providing preconstruction services and the agency do not agree on a price for providing construction services, or for any other reason at the agency's discretion, the agency may seek another contractor for the construction services by using competitive sealed bidding or competitive sealed proposals. The agency may prohibit the contractor who provides preconstruction services from participating in the subsequent process.

(d) In this section,

(1) "preconstruction services" means information, research, advice, and related tasks regarding the impacts of design on the physical construction of a project;

“preconstruction services” does not mean architectural, engineering, or land surveying services;

(2) "construction" means

(A) the process of building, altering, repairing, maintaining, improving, or demolishing a structure, building, or other improvement of any kind to real property other than privately owned real property leased for the use of an agency;

(B) services and professional services relating to planning and design required for the process.