

HB

392

STATE OF ALASKA THE LEGISLATURE

POUCH V - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY LEGISLATIVE REFERENCE LIBRARY

May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

House C+RA	2-8-88	3:00p.m.
" "	2-26-88	3:00p.m.

(5)

HOUSE COMMITTEE REPORT 8 HB 392

Date referred: 1/25/89

FURTHER REFERRALS: Labor & Commerce

DATE: FEB 26 1988

The Community and Regional Affairs Committee has considered HB 392

"An Act relating to municipal procurement of architectural, engineering, and land surveying services."

RECOMMENDS:

- replace with _____ the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

Bette Cato Cato
Virginia Collins Collins
Heinrich Springer Springer

SIGNING OTHER RECOMMENDATIONS:

Springer

Heinrich Springer
Chairman's signature

File Contents

HB 392 - Municipal Procurement of Certain Services

<u>No.</u>	<u>Description</u>
1.	Bill - HB 392
2.	Packet from Sponsor Explanation Statutes (including 36.30.270) AML Resolution
3.	Bill Review - HCRA Staff (Harrison)
4.	Public Law 92-582
5.	Alaska Municipal League - Position Paper
6.	DCRA - Position Paper
7.	DCRA - Zero Fiscal Note

To: Henry

Re: HB 392/CSSB 358 (CRA)

From: Martha

Date: Feb. 8, 1988

Rep. Ellis would like the Committee to adopt the CS enclosed in the file. This CS is as a result of recommendations by the drafter to the sponsor, to clarify "home rule" application.

The Senate CRA has already adopted the CS. Ours would be exactly the same if adopted as requested by Rep. Ellis. A copy of the Senate CRA CS is attached.

Rich Ritter, from the American Institute of Architects will be here to testify.

SB 358 is in (S) L&C now.

The only comment in (S)CRA was from Zharoff. He wondered how it would affect small communities and if it would increase expenditures. Kind of a rhetorical questions, I guess. Ellis' office said there was really no response. Ellis' office is checking with McKie Campbell (SCRA) on Zharoff's comment.

Bill Review

Bill No: HB 392

Title: "An Act relating to municipal procurement of architectural, engineering, and land surveying services."

Sponsor: Ellis, Koponen and Collins

Municipalities involved in procuring architectural, engineering and land surveying services are required to comply with AS 36.30.270, Architectural, engineering, and land surveying contracts. To be exempted the municipality must adopt an ordinance establishing a selection process for itself or its administrative unit.

Lines 15-17 define "administrative unit."

Lines 18-20 indicate "selection process."

Ideas for this may have come from PL 92-582 or from AS 36.98.043.

Attached herewith: PL 92-582
AS 36.30.270

1024 WEST SIXTH AVENUE
ANCHORAGE, ALASKA 99501
(907) 274-4031

WHILE IN SESSION
P.O. BOX V
JUNEAU, ALASKA 99811
(907) 465-3704

ALASKA STATE HOUSE

OFFICE OF MAJORITY WHIP



② HB 392

CO-CHAIR
HEALTH, EDUCATION & SOCIAL SERVICES

LABOR & COMMERCE
SUBCOMMITTEE ON FOREIGN TRADE

REPRESENTATIVE JOHNNY ELLIS

M E M O R A N D U M

TO: The Honorable Henry Springer, Chair
Community and Regional Affairs Committee

FROM: Rep. Ellis (JB)

RE: HB 392: "An Act relating to municipal procurement of architectural, engineering, and land surveying services."

DATE: January 27, 1988

I respectfully request that the Community and Regional Affairs Committee hold a hearing on CSHB 392.

Passage of this legislation will bring municipalities in compliance with AS 36.30.270, which was created by the Fourteenth Alaska Legislature. AS 36.30.270 requires the state to use a registered architect, engineer, or land surveyor when awarding contracts and outlines a procedure for professional contracts. A copy of AS 36.30.270 is attached, (Attachment A).

The procedure requires the state to negotiate a contract with the most qualified and suitable firm for a fair price with consideration given to the firm's proximity to the project, and employment practices with regard to minorities and women.

Under the proposed statute, (HB 392), a municipality may exempt itself, or part of itself, from the requirements of AS 36.30.270 by adopting an ordinance that establishes a selection process.

The CS for HB 392 adds provisions to bring home rule municipalities in compliance with the same conditions by amending AS 29.10.200, (Attachment B).

Both state agencies and professional societies testified in favor of the legislation which passed into law in 1986.

Attachment C is Resolution 88-37 of the Alaska Municipal League adopted in November during the Municipal League convention.

If you require further information, please contact Deborah Bonito at X3704.

5-1669B
Bannister
1/27/88

Original sponsors: Ellis, Koponen
and Collins

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 392 ()

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to municipal procurement of archi-
7 tectural, engineering, and land surveying services."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 29.10.200 is amended by adding a new paragraph to read:

10 (49) AS 29.71.040 (procurement requirement).

11 * Sec. 2. AS 29.71 is amended by adding a new section to read:

12 Sec. 29.71.040. PROCUREMENT REQUIREMENT. (a) A municipality
13 and its administrative units shall comply with AS 36.30.270 unless the
14 municipality specifically exempts itself or an administrative unit
15 from AS 36.30.270 by adopting an ordinance establishing a selection
16 process for the municipality or for the unit. In this section,

17 (1) "administrative unit" includes a department, institu-
18 tion, board, commission, division, authority, public corporation,
19 utility, or other administrative unit of a municipality;

20 (2) "selection process" means a selection process for the
21 procurement of architectural, engineering, and land surveying ser-
22 vices.

23 * (b) This section applies to home rule and general law municipal-
24 ities.

25
26 * These sections of the CS bring home rule
27 municipalities into compliance with the state
28 law also.
29

RESOLUTION OF THE ALASKA MUNICIPAL LEAGUE

RESOLUTION NO. 88-37

A RESOLUTION OF THE ALASKA MUNICIPAL LEAGUE SUPPORTING
SELECTION OF DESIGN PROFESSIONALS THROUGH
A QUALIFICATION-BASED PROCESS.

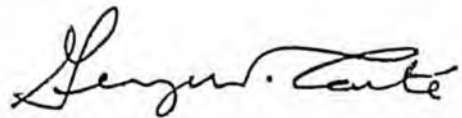
WHEREAS, this process attempts to assure that selection of design professionals based on qualifications (while providing for negotiation of fair and reasonable compensation) will obtain the best professional services for the most equitable fee, and

WHEREAS, the federal government implemented a procedure for selection of design professionals on the basis of qualifications, as set forth in Public Law 92-582, and

WHEREAS, the State of Alaska adopted a procedure for selection of design professionals based on qualifications, as set forth in A.S. ~~36-908.043~~;
36.30.270

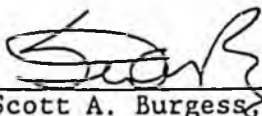
NOW, THEREFORE, BE IT RESOLVED that the Alaska Municipal League supports the selection of design professionals through a qualification-based process as expressed in federal and state law and urges its members to support state legislation adopting this process for municipalities while at the same time providing for local option for those municipalities which choose to adopt their own ordinance addressing this selection process.

Adopted this 13th day of November 1987.



George W. Carte', President

ATTEST:



Scott A. Burgess, Executive Director

Final

M E M O R A N D U M

15 January 1987

TO: ALL Senators *(individually addressed)*
FROM: Senator Arliss Sturgulewski

Attached is draft legislation which adds a section to Title 29 requiring municipalities to comply with AS 36.30.270 the section of the procurement code outlining the process by which state agencies select architects, engineers, and land surveyors. This legislation is substantially similar in concept to SB 204, passed in 1986, which placed the same requirements on state agencies. It was also known as the "mini-Brooks bill".

That process includes negotiating a contract with the most qualified firm or individual and awarding the contract for fair and reasonable compensation after determining the value of the services, the scope and the complexity of the project. Also included in the section are procedures to follow when negotiations with the most qualified firm or person are not successful and when price may be included as an added factor.

Under the proposed statute, a municipality may exempt itself, or part of itself, from the requirements of AS 36.30.279 by adopting an ordinance that establishes a selection process.

Also attached is Resolution 88-37 of the Alaska Municipal League adopted in November during the Municipal League convention as well as a copy of AS 36.30.270.

I welcome co-sponsors; if you have any questions, please call Melissa Fouse of my staff at 465-3818.

RESOLUTION OF THE ALASKA MUNICIPAL LEAGUE

RESOLUTION NO. 88-37

A RESOLUTION OF THE ALASKA MUNICIPAL LEAGUE SUPPORTING
SELECTION OF DESIGN PROFESSIONALS THROUGH
A QUALIFICATION-BASED PROCESS.

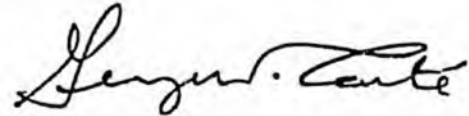
WHEREAS, this process attempts to assure that selection of design professionals based on qualifications (while providing for negotiation of fair and reasonable compensation) will obtain the best professional services for the most equitable fee, and

WHEREAS, the federal government implemented a procedure for selection of design professionals on the basis of qualifications, as set forth in Public Law 92-582, and

WHEREAS, the State of Alaska adopted a procedure for selection of design professionals based on qualifications, as set forth in (A.S. 36.908.043; *Repealed?*)

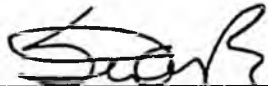
NOW, THEREFORE, BE IT RESOLVED that the Alaska Municipal League supports the selection of design professionals through a qualification-based process as expressed in federal and state law and urges its members to support state legislation adopting this process for municipalities while at the same time providing for local option for those municipalities which choose to adopt their own ordinance addressing this selection process.

Adopted this 13th day of November 1987.



George W. Carte, President

ATTEST:



Scott A. Burgess, Executive Director

412

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION SB 358 (CERA)
PUBLISH DATE: (SENATE) 2/1/88

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act..municipal procurement..
engineering..land surveying services."
Sponsor: Sturgulewski, Hensley etc
Requestor: _____

Agency Affected: Community & Regional Affairs
BRU: _____

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Jim Plasman

Prepared by: Jim Plasman, Deputy Director
Division: Municipal & Regional Assistance

Phone: 465-4750
Date: 1-27-88

Approved by Commissioner: *Ruth Hensley*
Agency: Community & Regional Affairs

Date: 1-27-88

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)


Alaska
MUNICIPAL
League

⑤ HB 392

TELEPHONE
(907) 586-1325

105 MUNICIPAL WAY, SUITE 301
JUNEAU, ALASKA 99901

TO: Representative Henry Springer, Chair
Members of the House Community and Regional Affairs Committee

FROM: Scott A. Burgess, Executive Director 

DATE: February 8, 1988

SUBJECT: HB 392 - Municipal Procurement of Architectural, Engineering and
Land Surveying Services

On behalf of its 135 municipal members, the Alaska Municipal League supports the selection of design professionals through a qualifications-based process, and, therefore, supports HB 392. I have attached a copy of AML Resolution No. 88-37* passed at the AML Annual Conference in November 1987.

HB 392 requires municipalities to comply with the State's professional services procurement practices laid out in AS 36.30.270 while providing for local option for those municipalities which choose to adopt their own ordinance establishing a selection process. While the AML has resisted similar legislation mandating procurement practices on municipalities for professional services as well as other procurement practices such as competitive bidding as an unnecessary and unjustified restriction on local control, the AML does not oppose HB 392 for the following reasons:

- 1) the AML membership adopted Resolution No. 88-37 in November 1987 supporting selection of design professionals through a qualification-based process; and,
- 2) HB 392 provides municipalities the option of exempting themselves from the state standards by adopting their own ordinance establishing a selection process that better meets their individual needs, resources and situations.

The AML supports HB 392. Thank you.

* The reference to AS 36.908.043 is presumably a typo and a reference to AS 36.98 repealed by Chapter 106 SLA 1986, now AS 36.30.270.

Attachment

STATE OF ALASKA

⑥ HB 392
STEVE COWPER, GOVERNOR

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

MUNICIPAL & REGIONAL ASSISTANCE DIVISION

- | | | | |
|---|---|---|---|
| <input type="checkbox"/> 949 E. 36th AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-4302
PHONE: (907) 561-8586 | <input type="checkbox"/> P.O. BOX 348
BETHEL, ALASKA 99559-0348
PHONE: (907) 543-3475 | <input type="checkbox"/> P.O. BOX 10041
DILLINGHAM, ALASKA 99576-1041
PHONE: (907) 842-5135 | <input type="checkbox"/> 1514 CUSHMAN STREET, ROOM 210
FAIRBANKS, ALASKA 99701-6286
PHONE: (907) 452-7126 |
| <input type="checkbox"/> P.O. BOX BH
JUNEAU, ALASKA 99811-2110
PHONE: (907) 465-4750 | <input type="checkbox"/> 710 MILL BAY RD.
KODIAK, ALASKA 99615-6340
PHONE: (907) 486-5738 | <input type="checkbox"/> P.O. BOX 350
KOTZEBUE, ALASKA 99752-0350
PHONE: (907) 442-3698 | <input type="checkbox"/> P.O. BOX 41
NOME, ALASKA 99762-0041
PHONE: (907) 443-5457 |

February 5, 1988

POSITION PAPER

RE: House Bill 392

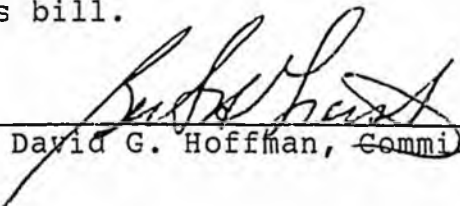
SPONSOR: Representatives Ellis, Koponen and Collins

Program Effects of Bill

This bill would make the provisions of AS 36.30.270, regarding the procurement of architectural, engineering and land surveying services applicable to municipalities and their administrative units, unless they choose to exempt themselves from coverage by ordinance.

Comments

Generally, the thrust of Title 29, as recodified in 1985, was to increase local determination of standards and requirements of this nature and to reduce reliance upon state standards. However, this bill provides that municipalities may choose to exempt themselves from the coverage of AS 36.30.270 by passage of an ordinance establishing a selection process. The department does not oppose this bill.



David G. Hoffman, Commissioner

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: HB 392
PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An act..municipal procurement..
architectural..land surveying services."
Sponsor: Ellis, Koponen & Collins
Requestor: _____

Agency Affected: Community & Regional Affairs
BRU: _____

Components: _____

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SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Jim Plasman, Deputy Director Phone: 465-4750
Division: Municipal & Regional Assistance Date: _____

Approved by Commissioner: [Signature] Date: _____
Agency: Community & Regional Affairs

- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)