

Approved: 3/30/10

Date

MINUTES OF THE HOUSE COMMERCE AND LABOR COMMITTEE

The meeting was called to order by Chairman Steve Brunk at 9:04 a.m. on March 10, 2010, in Room 784 of the Docking State Office Building.

All members were present except:

Representative Sean Gatewood- excused

Committee staff present:

Art Griggs, Office of the Revisor of Statutes  
Rena Jefferies, Office of the Revisor of Statutes  
Jerry Donaldson, Kansas Legislative Research Department  
Dennis Hodgins, Kansas Legislative Research Department  
Stephen Bainum, Committee Assistant

Conferees appearing before the Committee:

Eric Stafford, Associated General Contractors  
Chad Austin, Kansas Hospital Association  
Dan Morgan, The Builders Association  
Senator Karen Brownlee,  
Dave Shelton, Design Sense, Inc.

Others attending:

See attached list.

The Chairman opened the hearing on **SB 513**.

**Sub for S 513**      **Alternative project delivery construction; hospital districts; unified school districts**

Rena Jefferies explained the changes in the bill (Attachment 1).

Eric Stafford, Associated General Contractors, presented testimony as a proponent of **Sub for S 513** (Attachment 2). One change was language which allows district hospitals to use the alternative delivery method. .

Chad Austin, Kansas Hospital Association, gave testimony as a proponent of **Sub for S 513** (Attachment 3). The reference to K.S.A. 80-2501 will allow the approximately 20 district hospitals in Kansas to utilize the alternative project delivery program.

Dan Morgan, The Builders Association, provided written only testimony as a proponent of **Sub for S 513** (Attachment 4). The use of alternative delivery is not intended as a substitute for awarding public contracts to the lowest responsible bidder. **Sub for S 513** would amend the law to allow hospital boards to utilize these delivery options in appropriate circumstances.

Dave Shelton, Design Sense, Inc., presented testimony as a proponent of **Sub for S 513** (Attachment 5). In his testimony he presented several comparison studies measuring the impact of the delivery system on project performance, comparing Design-Build and Design-Bid-Build systems. .

Senator Karin Brownlee presented testimony as a proponent of **Sub for S 513** (Attachment 6). She asked that the bill be amended to allow KDOT to do a design build project. She presented a Proposed Amendment to **Sub for S 513** (Attachment 7).

The hearing was closed on **Sub for S 513**.

The next meeting is scheduled for March 11, 2010.

The meeting was adjourned at 9:53 a.m.

COMMERCE & LABOR COMMITTEE

DATE: 3-10-10

NAME	REPRESENTING
Megan Pottkeburg	KDOL
Chad Austin	KHA
Eric Stafford	AGCC of Kansas
D.M. Shelton	D.M. SHELTON
Mel Minor	RETAIL Grocers
Judy Gadd	RETAIL Grocers
DAN MORGAN	Builders Assn. & KC Chapter, ABC
Tom Krebs	KASB
Zack Goodman	Intern

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MEMORANDUM

To: House Committee on Commerce and Labor  
From: Renae Jefferies, Assistant Revisor  
Date: March 10, 2010  
Subject: Substitute for Senate Bill No. 513

Substitute for SB 513 amends provisions of two acts, the County Alternative Project Delivery Building Construction Procurement Act and the Kansas Unified School District Alternative Project Delivery Construction Procurement Act. Both acts contain similar technical amendments to the respective act.

The definition "firm" has been added to both acts. "Firm means any individual, partnership, joint venture, corporation or other legal entity which is engaged in the business of providing construction management or general construction contracting services." (Page 3 and 12.) The word firm has been used in both acts to replace the words proposer, construction manager or general contractors and building design builder .

The word "county" has been struck from the title of the County Alternative Project Delivery Building Construction Procurement Act and throughout that act. Additionally, the act's definition of "board" has been broadened to include hospital boards in the act's alternative construction process. In both acts, language has been added requiring all prequalified firms to be interviewed in executive session. (pages 6 and 14.) All other discussion and any actions taken to select a firm shall be conducted in an open meeting.

The act would take effect upon publication in the statute book.

No fiscal note is available on the substitute bill.



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**TESTIMONY OF  
ASSOCIATED GENERAL CONTRACTORS OF KANSAS  
BEFORE HOUSE COMMITTEE ON COMMERCE & LABOR  
SUB for SB 513**

March 10, 2010

By Eric Stafford, Associated General Contractors of Kansas, Inc.

Mister Chairman and members of the committee, my name is Eric Stafford. I am the Director of Government Affairs for the Associated General Contractors of Kansas, Inc. The AGC of Kansas is a trade association representing the commercial building construction industry, including general contractors, subcontractors and suppliers throughout Kansas (with the exception of Johnson and Wyandotte counties).

**The AGC of Kansas supports Substitute for Senate Bill 513 and asks that you recommend it favorably for passage.**

In 2008, the Kansas legislature passed Senate Bill 485 which gave counties and school districts the ability to utilize what are called alternative delivery methods.

SB 513 has two significant changes in addition to some clean up of language throughout the bill to existing county and school district alternative delivery statutes. An unintended consequence of SB 485 was language which excludes district hospitals from utilizing alternative delivery methods while all other public hospitals have the ability if they so choose. To fix this problem, SB 513 changes the definition of "board" to include district hospitals since they do not fall under the supervision of a board of county commissioners.

The second change addresses another unintended consequence of the existing alternative delivery statutes. As part of the CM at-risk procurement process, the owner (county) gives a request for proposals to prequalified firms and interviews each prequalified firm after all proposals have been submitted. Due to interpretation by a school district in Kansas, these interviews took place during a school board meeting for the public to watch. However, AGC general contractor members have stated these interviews contain proprietary and financial information which is an exception allowed under the Kansas Open Meetings Act. Therefore, AGC is asking to include language that these interviews take place in executive session to protect confidential information.

**Again, the AGC of Kansas respectfully requests that you recommend Substitute for Senate Bill 513 favorably for passage.** Thank you for your consideration.

**House Commerce & Labor**  
**Date:** 3-10-10  
**Attachment #** 2



75-4319

**Closed or executive meetings; conditions; authorized subjects for discussion; binding action prohibited; certain documents identified in meetings not subject to disclosure.** (a) Upon formal motion made, seconded and carried, all bodies and agencies subject to the open meetings act may recess, but not adjourn, open meetings for closed or executive meetings. Any motion to recess for a closed or executive meeting shall include a statement of (1) the justification for closing the meeting, (2) the subjects to be discussed during the closed or executive meeting and (3) the time and place at which the open meeting shall resume. Such motion, including the required statement, shall be recorded in the minutes of the meeting and shall be maintained as a part of the permanent records of the body or agency. Discussion during the closed or executive meeting shall be limited to those subjects stated in the motion.

(b) No subjects shall be discussed at any closed or executive meeting, except the following:

(1) Personnel matters of nonelected personnel;

(2) consultation with an attorney for the body or agency which would be deemed privileged in the attorney-client relationship;

(3) matters relating to employer-employee negotiations whether or not in consultation with the representative or representatives of the body or agency;

**(4) confidential data relating to financial affairs or trade secrets of corporations, partnerships, trusts, and individual proprietorships;**

(5) matters relating to actions adversely or favorably affecting a person as a student, patient or resident of a public institution, except that any such person shall have the right to a public hearing if requested by the person;

(6) preliminary discussions relating to the acquisition of real property;

(7) matters permitted to be discussed in a closed or executive meeting pursuant to K.S.A. 74-8804 and amendments thereto;

(8) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (d)(1) of K.S.A. 38-1507 and amendments thereto or subsection (e) of K.S.A. 38-1508 and amendments thereto;

(9) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (j) of K.S.A. 22a-243 and amendments thereto;

(10) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (e) of K.S.A. 44-596 and amendments thereto;

(11) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (g) of K.S.A. 39-7,119 and amendments thereto;

(12) matters required to be discussed in a closed or executive meeting pursuant to a tribal-state gaming compact;

(13) matters relating to security measures, if the discussion of such matters at an open meeting would jeopardize such security measures, that protect: (A) Systems, facilities or equipment used in the production, transmission or distribution of energy, water or communications services; (B) transportation and sewer or wastewater treatment systems, facilities or equipment; (C) a public body or agency, public building or facility or the information system of a public body or agency; or (D) private property or persons, if the matter is submitted to the agency for purposes of this paragraph. For purposes of this paragraph, security means measures that protect against criminal acts intended to intimidate or coerce the civilian population, influence government policy by intimidation or coercion or to affect the operation of government by disruption of public services, mass destruction, assassination or kidnapping. Security measures include, but are not limited to, intelligence information, tactical plans, resource deployment and vulnerability assessments;

(14) matters permitted to be discussed in a closed or executive meeting pursuant to subsection (f) of K.S.A. 65-525, and amendments thereto; and

(15) matters permitted to be discussed in a closed or executive meeting pursuant to K.S.A. 2008 Supp. 75-7427, and amendments thereto.

(c) No binding action shall be taken during closed or executive recesses, and such recesses shall not be used as a subterfuge to defeat the purposes of this act.

(d) Any confidential records or information relating to security measures provided or received under the provisions of subsection (b)(13), shall not be subject to subpoena, discovery or other demand in any administrative, criminal or civil action.



Tom Bell  
President and CEO

TO: House Commerce and Labor Committee

FROM: Chad Austin  
Vice President, Government Relations

DATE: March 10, 2010

RE: Substitute for Senate Bill 513

The Kansas Hospital Association appreciates the opportunity to provide testimony in support of Substitute for Senate Bill 513. The proposed legislation would afford district hospitals the same opportunities allowed to county entities and hospitals under the Alternative Project Delivery Building Construction Procurement Act.

The original legislation allowing county entities and school districts to use an alternative project delivery program was passed during the 2008 session. Under K.S.A. 19-216b through 19-216f, the statutes refer solely to county entities and defines "Board" to mean the board of county commissioners or its designees. Senate Bill 513 would make several technical amendments and would change the definition of "Board" to include those boards as defined under K.S.A. 80-2501. The reference to K.S.A. 80-2501 would allow the approximately 20 district hospitals in Kansas to utilize the alternative project delivery program.

Attached to our testimony is a letter of support from the hospital administrator, Mr. Curt Colson, at Satanta District Hospital. The Kansas Hospital Association would strongly encourage the favorable passage of Substitute for Senate Bill 513.

Thank you for your consideration of our comments. I would be happy to stand for questions.

**House Commerce & Labor**  
**Date:** 3-10-10  
**Attachment #** 3



**SATANTA DISTRICT HOSPITAL, CLINICS & LONG TERM CARE**

February 4, 2010

Kansas Legislature  
Topeka, Kansas

Re: Support of SB513

Dear Legislators:

Satanta District Hospital & LTCU is a licensed 13-bed Critical Access Hospital with an attached 44-bed long term care unit and two (2) Rural Health Clinics serving the health care needs of Haskell county and surrounding communities. Our district hospital opened in 1953 and was organized as a not-for-profit, political sub-division of the State of Kansas. Hospital governance is provided by a five member board publicly elected by the residence living within the designated boundaries of the district. Hospital districts are a separate municipality and operated independently from county operations.

Satanta District Hospital's Board of Trustees and administration are asking for your support in passing SB 513. Being the sole provider of health care and elderly nursing services in Haskell County, our Board is keenly aware of the growing need for Senior Housing in rural Kansas. Our board is currently in the process of evaluating and considering the many different design and construction options available. However, we've come to realize hospital districts are burdened with more obligations in the design and construction phase, which can be overwhelming to manage and does not provide the same cost-containing measures.

County hospitals are currently afforded the opportunity to design and construct buildings and other structures under what is known as the "*County Alternative Project Delivery Building Construction Procurement Act*". K.S.A. 19-216b through 19-216g. Current legislation allows county hospitals the ability to use an "integrated comprehensive building design and construction process, including all procedures, actions, sequences of events, contractual relations, obligations, interrelations and various forms of agreement all aimed at the successful completion of the design and construction of buildings and other structures...based on a qualification and best value approach."

Under current legislation, Hospital Districts in Kansas, such as Satanta District Hospital & LTCU, are not included in this legislation by way of definition. The specific use of language such as "county" and "Board", which is defined as a Board of County Commissioners, excludes Hospital Districts from the same building opportunity as county owned hospitals. I do not believe it was the intention of the legislative decision to purposefully exclude and prevent Hospital Districts from using a cost-effective and integrated comprehensive building design and construction method.

Therefore, Satanta District Hospital & LTCU respectfully asks and encourages the Kansas Legislature to support and approve the passage of SB513.

Sincerely,

Curt Colson  
CEO/Administrator  
Satanta District Hospital,  
Clinics & Long Term Care  
PO Box 159 \* 401 Cheyenne  
Satanta, KS. 67870

Satanta District Hospital  
401 Cheyenne  
PO Box 159  
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Phone: 620-649-2761  
Fax: 620-649-2776

3-2



**WRITTEN TESTIMONY TO THE  
HOUSE COMMERCE AND LABOR COMMITTEE  
REGARDING SUBSTITUTE FOR SENATE BILL 513**

Dan Morgan

The Builders' Association and Kansas City Chapter, AGC

March 10, 2010

Thank you, Mister Chairman, and members of the committee. My name is Dan Morgan. I am the governmental affairs consultant in Kansas for the Builders' Association and the Kansas City Chapter, AGC and formerly served as executive director of these organizations. The Builders' Association and KC Chapter, AGC represent nearly 1,100 general contractors, subcontractors and suppliers engaged in the commercial and industrial building construction industry. Half of our members are located in the Kansas City area and are either domiciled in Kansas or perform work in the state. I appreciate the opportunity to provide this written testimony in support of Substitute for Senate Bill 513.

Legislation adopted in 2008 allows boards of county commissioners and school districts to use the "construction management at risk" method of construction delivery in appropriate circumstances and also allows the use of the "design-build" method of delivery on suitable county building construction projects in the state. These "alternative delivery" methods of procurement have proved to be sound alternatives to the traditional "design-bid-build" delivery process in appropriate circumstances. And, by law, such alternative delivery methods are only used after a determination has been made that it is in the public interest to do so. Substitute for Senate Bill 513 would amend the definition of "board" (see page 1, lines 38-40) in current law so as to allow hospital boards (as defined in K.S.A. 80-2501) to utilize these delivery options in appropriate circumstances as well.

When determining whether alternative delivery is appropriate for a project, members of the board would consider such factors as whether its use would result in substantial savings of time or money, whether there is a need to overlap the design and construction phases on the project and whether use of an accelerated schedule is needed to make repairs in an emergency situation. The use of alternative delivery is not intended as a substitute for awarding public contracts to the lowest responsible bidder. Rather, it is meant to provide a viable alternative in appropriate circumstances and only after a determination has been made that it would be in the public interest.

In an environment where more and more local governments are opting to use these delivery methods on certain projects, we appreciate the fact that this area of Kansas law conforms well to current alternative delivery law affecting state agencies. It also provides uniform procedures for all pertinent boards to follow when awarding such contracts. Finally, we also support language in the bill which provides that, when selecting a construction manager, the board or selection committee shall interview each of the prequalified firms in executive session so that such firms' proprietary and financial information is protected and so that no competing firm obtains unfair advantage. All other discussion and any actions taken in the selection process shall be conducted in an open meeting.

We respectfully ask that you recommend SB 513 favorably for passage.

House Commerce & Labor  
Date: 3-10-10  
Attachment # 4





**David M. Shelton, AIA, DBIA, NCARB, 3PQ©**

David M. Shelton is Senior Vice President for DesignSense Incorporated, an Integrated Services and Design-Build Consulting firm located in Olathe, Kansas. Mr. Shelton is also a licensed architect and contractor, and has nearly 30 years of experience in design management, construction management, design-build, criteria development, and owner representative services.

David is a graduate of Drury University, received his Master of Architecture from North Carolina State University, and was a founding Board Member and Education Committee Chair for the Mid-America Chapter (currently Mid-American Region) of the Design-Build Institute of America. David also holds NCARB & DBIA certifications.

David is the author of the "3PQ® Risk Management" process used to deliver integrated services for Construction Management and Design-Build. Articles about 3PQ© and Integrated Services Delivery have been regularly published in 'DBIA Dateline', and featured in other publications such as The Kansas City APWA Newsletter, and Golf Management Magazine.

Mr. Shelton provides professional training on "Integrated Delivery" methods in a variety of venues, including CM@Risk and Design-Build. David has lectured on design-build practices at the University of Nebraska, the University of Kansas, the University of Missouri – Kansas City, and Pittsburg State University.

David is a regular guest presenter and licensed instructor for the Design-Build Institute of America; providing standardized and custom instructional seminars and workshops. A few of the public entities that David has trained include the Army National Guard, The Panama Canal Authority, General Services Administration, The United States Corp of Engineers, The Los Angeles County Public Works, and The Oregon Military Department.

In 2005, David was named to the eight-member Design-Build Institute of America's Design Task Force which was formed to analyze and report upon the issues concerning the criticality of design and construction in integrated services delivery and recommend programs and products that will promote design-build best practices". In 2006 David was named the Chairman of the AIA Sub-Committee for Design-Build Owner Representatives.

Since 1999, David has focused exclusively on Integrated Services Consulting and Design-Build Delivery. He provides DesignSense with leadership and experience in construction management, project execution, design-build delivery, owner's representation, and training.

**Education:** Bachelor of Arts, Drury University  
Master of Architecture, North Carolina State University

**DBIA Instructor:** Fundamentals of Project Delivery- DBIA  
Principles of Design-Build Project Delivery- DBIA  
Design-Build Contract and Risk Management- DBIA  
Performance Specs: Writing Effective RFP's- DBIA  
Super-Charged Source Selection- DBIA

**Professional Registration:** Architecture: Kansas, Missouri, and Multiple States  
Construction: Johnson County Class A (2005)  
Design-Build Professional Designation: DBIA®

**Associations:** National Council of Architectural Registration Boards (NCARB) Design-Build Institute of America  
American Institute of Architects  
American Public Works Association  
Charter Member, Design-Build Institute of America Mid-America

Numerous studies have been completed comparing the relative performance of design-bid-build (DBB) construction with design-build (DB) approach to project delivery. This summary lists what the preparer considers significant comparative studies between the two delivery systems. The summary is not intended to be comprehensive nor fully detail the findings of the referenced studies. This summary lists the referenced studies and provides direction to the completed study so that interested parties can reach their independent conclusions.

**Experiences of Federal Agencies with the Design-Build Approach to Construction**

(1993) Technical Report No. 122, prepared by the Consulting Committee on Cost Engineering of the Federal Construction Council. This study detailed information submitted by seven federal agencies on 27 projects. Comparisons were made in terms of functionality, quality of design, quality of workmanship, and cost. The committee concluded that the design-build approach was particularly favorable in terms of cost and of the time required to complete the project. The design-build approach also received good marks on factors related to user satisfaction.

In the study, the term "design-build" was used as a general term to identify any project which was completed by a single entity for both design and construction. Other terms used are design-construct, turnkey construction, integrated project delivery, and alternative delivery procurement. The full text of the study can be found online at The National Academies Press (books.nap.edu).

**Designing and Building a World-Class Industry**

(1996) Report prepared by J. Bennett, E. Potheary, and G. Robinson for the University of Reading Design and Build Forum Report, Centre for Strategic Studies in Construction. Researchers studied a cross-section of 330 projects in the United Kingdom to compare performance measures between design-build projects and projects procured traditionally. Conclusions of the study supported the perception that design-build can deliver projects faster and at a lower cost than traditional procurement.

**A Comparison of United States Project Delivery Systems**

(1997) Technical Report No. 38, prepared by Mark Konchar of the Computer Integrated Construction Research Project in the Department of Architectural Engineering at The Pennsylvania State University. Known as the Penn State Study, this analysis of 351 projects in 37 states concluded that design-build was at least 12% faster, 6% less costly and resulted in a higher quality finished product when compared to design-bid-build. Public sector projects accounted for 43% of the total analyzed.

The complete study can be found on the Penn State College of Engineering website or downloaded from the American Society of Civil Engineers website (cedb.asce.org).

What was considered significant is that both the Reading Research Project and the Penn State Study concluded that design-build could yield better performance related to schedule and cost.

**Measuring the Impacts of the Delivery System on Project Performance: Design-Build and Design-Bid-Build**

(2002) The National Institute of Technology (NIST) study was designed to meet two objectives: 1) to produce a comprehensive information set that documents the impacts of the project delivery system on project outcomes, and 2) to provide the construction industry a means by which it may measure and evaluate the economic value of the design-build and the design-bid-build project delivery systems.

Table ES.1 Summary of Overall Performance and Practice Use Outcomes

	Cost		Schedule		Safety	
	Owner	Contractor	Owner	Contractor	Owner	Contractor
Overall	DB <sup>1</sup>	--	<b>DB</b>	<b>DBB</b>	--	--
	Changes		Rework		Practice Use	
	Owner	Contractor	Owner	Contractor	Owner	Contractor
Overall	<b>DB</b>	<b>DB</b>	<b>DB</b>	DB <sup>1</sup>	<b>DB</b>	DB <sup>1</sup>

<sup>1</sup> Observed difference, not statistically significant

-- No difference in performance

Bold indicates significant difference, p≤0.05

**Design-Build Effectiveness Study**

(2006) Final report prepared for USDOT - Federal Highway Administration. This study summarized results from multiple reports. Overall, the design-build approach has proven to have significant savings in both cost and time in comparison to design-bid-build projects.

Exhibit II.5: Performance Results from Studies of Alternative Project Delivery Approaches

Vertical Infrastructure - Buildings	Number of Projects or Agencies in Sample	% Reduction in Contract Cost Relative to D-B-B	% Reduction in Contract Duration Relative to D-B-B
J. Bennett, E. Potheary & G. Robinson, <i>Designing and Building a World-Class Industry</i> , University of Reading Design and Build Forum Report, Centre for Strategic Studies in Construction, Reading, United Kingdom, 1996.	330	13%	30%
Victor Sanvido & Mark Konchar, <i>Selecting Project Delivery Systems: Comparing Design-Bid-Build, Design-Build, and Construction Management at Risk</i> , The Project Delivery Institute, State College, PA., 1999.	351	6%	33%
<i>Design-Build 101: Basics of Integrated Service Delivery</i> , Design-Build Institute of America/American Institute of Architects Professional Design-Build Conference, Chicago, Illinois, October 14, 1998.	DOD	14%	18%
<i>Design-Build 101: Basics of Integrated Service Delivery</i> , DBIA	GSA	3%	N/A
<i>Design-Build 101: Basics of Integrated Service Delivery</i> , DBIA	NAVFAC 1	12%	15%
<i>Design-Build 101: Basics of Integrated Service Delivery</i> , DBIA	Vet Admin	0%	28%
Linda N. Allen, <i>Comparison of Design-Build to Design-Bid-Build as a Project Delivery Method</i> , Master's thesis, Naval Postgraduate School, Monterey, CA., December 2001.	NAVFAC 2	18%	60%
Horizontal Infrastructure - Highways	Number of Projects or Agencies in Sample	% Reduction in Contract Cost Relative to D-B-B	% Reduction in Contract Duration Relative to D-B-B
Illinois DOT Study by SAIC, 2002	11 states	3 of 11 states reported lower cost	10 of 11 states reported shorter duration
New York State DOT Design-Build Practice Report, 2002	9 agencies	5 of 9 agencies reported lower cost	9 of 9 agencies reported shorter duration
Arizona DOT Study: Design-Build vs. Design-Bid-Build - Comparing Cost and Schedule. Jim Erzen, Ron Williams, and Debra Brisk, TRB Paper 2004.	13	4%	22%
Ralph Ellis, Zahar Herbsman, & Ashish Kumar, <i>Evaluation of the Florida Department of Transportation's Pilot Design/Build Program</i> , University of Florida, College of Engineering, Gainesville, FL., August 1991.	11	11%	36%
Washington State DOT Study. Design-Build Pilot Project Evaluation: A Measurement of Performance for the Process, Cost, Time, and Quality - SR500 Thurston Way Interchange. Dr. Keith Molenaar, University of Colorado, Boulder, CO, January 2003.	1	-23%	16%
Jim Erzen and Tom Feeney, <i>Contractor Led Quality Control and Quality Assurance Plus Design - Build: Who is Watching the Quality?</i> Transportation Research Board Paper, 2000 Annual Meeting, Washington, D.C., January 2000.	1	N/A	30%
<i>Bulk of Ambitious \$1.6 Billion Design-Build Job Complete</i> , Engineering News Record, May 14, 2001, Page 13. (Utah I-15 Design-Build Project)	1	0%	9%
<i>ODOT Experience on Six Design-Build Projects</i> , Ohio Department of Transportation, Columbus, OH., 1999.	6	Lower administrative costs; little/no change orders or claims	Significant time savings

The study can be found on the Federal Highway Administration section of the U.S. Department of Transportation website ([www.fhwa.dot.gov](http://www.fhwa.dot.gov)).

**An Analysis of the Design-Build Delivery Approach in Air Force Military Construction**

(2008) James Rosner published his Master's thesis in conjunction with the Air Force Institute of Technology, Wright-Patterson AFB School of Engineering and Management. Rosner studied data for 835 (278 design-build & 557 design-bid-build) MILCON (military construction) projects from 1996-2006. The design-build method had better performance for six of eight metrics with highly significant results for cost growth and number of modifications per million dollars. The traditional method experienced a highly significant advantage for the metrics of construction timeline and total project time. The historical analysis revealed that design-build MILCON has improved significantly for cost growth, modifications per million dollars, construction timeline, and total project time. The traditional method also improved for the cost growth and modifications per million dollars metrics. Finally, the facility type analysis revealed that the design-build method was best suited for seven of the nine facility types. This study provides empirical evidence of where the design-build delivery method provides an advantage to the traditional method for AF MILCON execution.

This thesis is available as Accession Number ADA489495 on the Defense Technical Information Center website ([www.dtic.mil/dtic](http://www.dtic.mil/dtic)).



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SENATOR KARIN BROWNLEE  
23<sup>RD</sup> DISTRICT

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## Testimony in support of Sub for SB 513

### House Commerce and Labor

March 10, 2010

Thank you Chairman Brunk and committee members for the opportunity to testify in support of the concepts in Sub for SB 513. In general, design build can be a positive concept for governmental entities for major building projects. The new building currently being constructed at the Olathe Kansas State Innovation Campus is being built as a design build project.

I would like to ask that the bill be amended to include the ability for KDOT to do a design build pilot project. KDOT could be granted rule & reg authority to add the necessary details. For a few years, I have been in discussions with KDOT that this would be an ideal way to build the interchange which will be needed at the Intermodal in Edgerton. It would be helpful to grant them this authority as this bill is being considered this year.

Thank you for your time and consideration.

House Commerce & Labor  
Date: 3-10-10  
Attachment # 6

1 be determined by the board. Each construction services bid notice shall  
 2 include the request for bids and other bidding information prepared by  
 3 the construction manager or general contractor and the board. The board  
 4 may allow the construction manager or general contractor to self-perform  
 5 construction services provided the construction manager or general con-  
 6 tractor submits a sealed bid proposal under the same conditions as all  
 7 other competing firms. At the time for opening the bids, the construction  
 8 manager or general contractor shall evaluate the bids and shall determine  
 9 the lowest responsible bidder except in the case of self-performed work  
 10 for which the board shall determine the lowest responsible bidder. The  
 11 construction manager or general contractor shall enter into a contract  
 12 with each firm performing the construction services for the project and  
 13 make a public announcement of each firm selected at the first school  
 14 board meeting following the selection.

15 Sec. 8. K.S.A. 2009 Supp. 72-6760g is hereby amended to read as  
 16 follows: 72-6760g. Every bid proposal conforming to the terms of the  
 17 advertisement, together with the name of the ~~proposer~~ firm, shall be  
 18 recorded, and all such records with the name of the successful ~~proposer~~  
 19 firm indicated thereon shall, after award or letting of the contract, be  
 20 subject to public inspection upon request. The board shall, within five  
 21 days after award or letting of the contract, publish the name of the suc-  
 22 cessful ~~proposer~~ firm. The public notice on public display shall show the  
 23 phase II and III scores and the adjusted final score. The board shall,  
 24 within five days after award or letting of the contract, have the names of  
 25 all ~~proposers~~ firms whose bid proposals were not selected, together with  
 26 phase II and III scores and the final adjusted score for each, available for  
 27 public review.

28 Sec. 9. K.S.A. 2009 Supp. 19-216b, 19-216c, 19-216d, 19-216e, 19-  
 29 216f, 72-6760d, 72-6760f and 72-6760g are hereby repealed.

30 Sec. 10. This act shall take effect and be in force from and after its  
 31 publication in the statute book.

Proposed Amendment to Substitute for SB No. 513

For Senator Brownlee

Prepared by: Art Griggs, Revisor's Office

House Commerce & Labor  
 Date: 3-10-10  
 Attachment # 7

New Sec. 9. The secretary of transportation is authorized to utilize alternate project delivery building construction procurement procedures for the interchange for the Edgerton intermodal project, subject to rules and regulations adopted by the secretary of transportation.

And by renumbering sections accordingly