



Honorable Chairperson Hutton and Members of the Committee on Commerce, Labor and Economic Development

RE: HB 2267 Alternative Project Delivery Amendments

Please accept this letter of testimony in support of the proposed amendments to the Alternative Project Delivery (APD) legislation. I believe these amendments will greatly improve the effectiveness of the APD process and I regret that my schedule would not allow me to provide this testimony in person.

As a way of introduction, I am Gregg Oblinger, Executive Vice President of Simpson Construction Services. Simpson Construction has been in the business of building educational and institutional facilities in the State of Kansas for 57 years. Half of my personal construction education of 40 years has been as a member of the Simpson Team.

In addition to my construction experience I served two terms as a member of my community's Board of Education. During my tenure we completed a bond issue prior to the passage of the APD legislation. It goes without saying that I experienced firsthand the negative effect a "low bidder" can have on the education process. In addition to this experience, knowing the benefits that APD brings to the construction process in the private sector made it easy for me to support legislation to put this tool into the tool box of our public officials that are tasked with improving their facilities.

While the APD process has worked well for many districts since its passage, AGC of Kansas wanted to take a look back at the legislation and review its pros and cons. Therefore, in early 2013 a task force was formed to review what improvements could be offered to make the process even more effective.

The first item is to improve communication of upcoming projects to the construction industry. With the additional notification requirement to general contractors associations we will enhance the competitive nature of the process by ensuring that requests for qualifications reach a larger geographical area than just the institutions normal publication outlet.

The second item targets providing a consistent format for proposed fees. With submission of this portion of the proposal to the department of administration for review we will improve the process in various ways. First and foremost it will allow a selection committee to focus on the most important aspect of APD, "what contractor best fits our project". Secondly, it will establish a regular presentation of the fees involved in a project, providing the basis for an apple – apple comparison. Lastly, by stipulating, or limiting the effectiveness of the "fees and profit scores" to no more than 25% of the total possible score it levels the playing field.

In closing, the best value for a building project is through finding the best team dynamics. By increasing the coverage of advertisement and establishing a consistent fees structure and evaluation, selection committees can work towards developing a project team that enhances the educational environment.

Respectfully submitted,
W. Gregg Oblinger

