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AN ACT concerning State government.

2 Be it enacted by the People of the State of Illinois, 3 represented in the General Assembly:

Section 1. Short title. This Act may be cited as the
Progressive Design-Build Pilot Program Act.

Section 5. Legislative policy. It is the intent of the 6 7 General Assembly that the State construction agency shall 8 establish a Progressive Design-Build Pilot Program to use the 9 progressive design-build delivery method for up to 3 public projects commencing prior to January 1, 2027 if it is shown to 10 be in the State's best interest for that particular project. 11 12 It shall be the policy of the State construction agency in the 13 procurement of progressive design-build services to publicly 14 requirements for progressive design-build announce all services and to procure these services on the basis of 15 16 demonstrated competence and qualifications and with due regard 17 for the principles of competitive selection.

18 The State construction agency shall, prior to issuing 19 requests for qualifications, publish procedures for the 20 solicitation and award of contracts pursuant to this Act.

The State construction agency shall, for each public project or projects permitted under this Act, make a written determination, including a description as to the particular advantages of the progressive design-build procurement method, that it is in the best interests of this State to enter into a progressive design-build contract for the project or projects. In making that determination, the following factors shall be considered:

6 (1) The probability that the progressive design-build 7 procurement method will be in the best interests of the 8 State by providing a material savings of time or cost over 9 the design-bid-build or other delivery system.

10 (2) The type and size of the project and its 11 suitability to the progressive design-build procurement 12 method.

(3) The ability of the State construction agency to
define and provide comprehensive scope and performance
criteria for the project.

No State construction agency may use the progressive design-build procurement method unless the agency determines in writing that the project will comply with the disadvantaged business and equal employment practices of the State as established in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act and Section 2-105 of the Illinois Human Rights Act.

The State construction agency shall within 15 days after the initial determination provide an advisory copy to the Procurement Policy Board and maintain the full record of determination for 5 years. 1

Section 10. Definitions. As used in this Act:

"Chief procurement office" means the offices to which the
chief procurement officers are appointed pursuant to Section
10-20 of the Illinois Procurement Code.

5 "Delivery system" means the design and construction 6 approach used to develop and construct a project.

7 "Design-bid-build" means the traditional delivery system 8 used on public projects in this State that incorporates the 9 Architectural, Engineering, and Land Surveying Qualification 10 Based Selection Act and the principles of competitive 11 selection in the Illinois Procurement Code.

12 professional" means any individual, "Design sole 13 proprietorship, firm, partnership, joint venture, corporation, 14 professional corporation, or other entity that offers services 15 under the Illinois Architecture Practice Act of 1989, the 16 Professional Engineering Practice Act of 1989, the Structural Engineering Licensing Act of 1989, or the 17 Illinois Professional Land Surveyor Act of 1989. 18

"Evaluation criteria" means the requirements for 19 the selection process as defined in this Act and may include the 20 21 specialized experience, technical qualifications and 22 competence, capacity to perform, past performance, experience with similar projects, assignment of personnel to the project, 23 and other appropriate factors. Price may not be used as a 24 25 factor in the evaluation of progressive design-build.

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1 "Progressive design-build" means a project delivery 2 process in which both the design and construction of a project 3 are procured from a single entity that is selected through a 4 qualifications-based selection at the earliest feasible stage 5 of the project.

6 "Progressive design-build contract" means a contract for a 7 public project under this Act between the State construction 8 agency and a progressive design-build entity to furnish 9 architecture, engineering, land surveying, and related 10 services as required, and to furnish the labor, materials, 11 equipment, and other construction services for the project. A 12 progressive design-build contract may be conditioned upon 13 subsequent refinements in scope and price and may allow the State construction agency to make modifications in the project 14 15 scope without invalidating the progressive design-build 16 contract.

"Progressive design-build entity" means any individual, 17 proprietorship, firm, partnership, joint venture, 18 sole corporation, professional corporation, or other entity that 19 20 proposes to design and construct any public project under this 21 Act. A progressive design-build entity and associated 22 progressive design-build professionals shall conduct 23 themselves in accordance with the laws of this State and the related provisions of the Illinois Administrative Code, as 24 25 referenced by the licensed design professionals Acts of this 26 State.

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1 "Qualification" means a statement of qualifications
2 submitted by a proposer in response to a request for
3 qualifications.

4 "Request for qualifications" means a document issued by 5 the State construction agency to solicit qualifications from 6 proposers in accordance with the progressive design-build 7 project delivery method.

8 "Scope and performance criteria" means the requirements 9 for the public project, including but not limited to, the 10 intended usage, capacity, size, scope, quality and performance 11 standards, and other programmatic criteria that are expressed 12 in performance-oriented requirements that can be reasonably 13 inferred and are suited to allow a progressive design-build 14 entity to develop a proposal.

15 "State construction agency" means the Capital Development 16 Board.

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Section 15. Solicitation of qualifications.

18 (a) When the State construction agency elects to use the progressive design-build delivery method, it must issue a 19 notice of intent to receive requests for qualifications for 20 21 the project at least 14 days before issuing the request for 22 qualifications. The State construction agency must publish the advance notice in the official procurement bulletin of the 23 24 State or the professional services bulletin of the State 25 construction agency, if any. The agency is encouraged to use HB5479 Engrossed - 6 - LRB103 38397 MXP 68532 b

publication of the notice in related construction industry service publications. A brief description of the proposed procurement must be included in the notice. The State construction agency must provide a copy of the request for gualifications to any party requesting a copy.

6 (b) The request for qualifications shall be prepared for 7 each project and must contain, without limitation, the 8 following information:

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(1) The name of the State construction agency.

10 (2) A preliminary schedule for the completion of the11 contract.

12 (3) The proposed budget for the project, the source of
13 funds, and the currently available funds at the time the
14 request for qualifications is submitted.

15 (4)Pregualification criteria for progressive 16 design-build entities wishing to submit proposals. The 17 State construction agency shall include, at a minimum, its normal pregualification, licensing, registration, 18 and 19 other requirements, but nothing contained herein precludes 20 the use of additional prequalification criteria by the 21 State construction agency.

(5) Material requirements of the contract, including but not limited to, the proposed terms and conditions, required performance and payment bonds, insurance, and the entity's plan to comply with the utilization goals for business enterprises established in the Business HB5479 Engrossed

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Enterprise for Minorities, Women, and Persons with
 Disabilities Act, and with Section 2-105 of the Illinois
 Human Rights Act.

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(6) The performance criteria.

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(7) The evaluation criteria for the solicitation.

6 (c) The State construction agency may include any other 7 relevant information that it chooses to supply. The 8 progressive design-build entity shall be entitled to rely upon 9 the accuracy of this documentation in the development of its 10 gualifications.

(d) The date that qualifications are due must be at least 21 calendar days after the date of the issuance of the request for qualifications. In the event the cost of the project is estimated to exceed \$10,000,000, then the qualifications due date must be at least 28 calendar days after the date of the issuance of the request for qualifications.

17 Section 20. Development of scope and performance criteria. The State construction agency shall develop a request for 18 19 qualifications, which shall include preliminary scopes, descriptions of the areas of technical expertise needed, and 20 21 requirements for experience. The request must be in sufficient 22 detail and contain adequate information to reasonably apprise the qualified progressive design-build entities of the State 23 24 construction agency's overall programmatic needs and goals, 25 including criteria, general budget parameters, schedule, and HB5479 Engrossed - 8 - LRB103 38397 MXP 68532 b

1 delivery requirements.

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Section 25. Selection committee.

3 (a) When the State construction agency elects to use the 4 progressive design-build delivery method, it shall establish a 5 committee to evaluate and select the progressive design-build entity. The committee, under the discretion of the State 6 7 construction agency, shall consist of at least 5 but no more than 7 members and shall include at least one licensed design 8 9 professional and 2 members of the public. Public members may 10 not be employed or associated with any firm holding a contract 11 with the State construction agency. Within 30 days of 12 receiving notice, one public member shall be nominated by 13 associations representing the general design or construction 14 industry and one member shall be nominated by associations 15 that represent minority or woman-owned design or construction 16 industry businesses. If either group fails to nominate a suitable candidate within the 30-day period, the State 17 18 construction agency shall nominate an appropriate public 19 member.

20 (b) The members of the selection committee must certify 21 for each request for qualifications that no conflict of 22 interest exists between the members and the progressive 23 design-build entities submitting qualifications.

If a conflict is discovered before qualifications are reviewed, the member must be replaced before any review of HB5479 Engrossed - 9 - LRB103 38397 MXP 68532 b

1 qualifications. If a conflict is discovered after 2 qualifications are reviewed, the member with the conflict 3 shall be removed and the committee may continue with only one 4 public member.

5 If at least 5 members remain, the remaining committee 6 members may complete the selection process.

7 Section 30. Procedures for selection.

8 (a) The State construction agency must use a 2-phase 9 procedure for the selection of the successful progressive 10 design-build entity. Phase I of the procedure will evaluate 11 and shortlist for interviews the progressive design-build 12 entities based on qualifications, and Phase II will evaluate 13 shortlisted teams based on scoring of specific criteria 14 addressed in their presentations and interviews.

15 (b) The State construction agency shall include in the 16 request for qualifications the evaluating factors to be used 17 I. These factors in addition in Phase are to any 18 prequalification requirements of progressive design-build 19 entities that the agency has set forth. Each request for 20 importance qualifications shall establish the relative 21 assigned to each evaluation factor and subfactor, including 22 any weighting of criteria to be employed by the State 23 construction agency. The State construction agency must 24 maintain a record of the evaluation scoring to be disclosed in 25 event of a protest regarding the solicitation.

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The State construction agency shall include the following 1 2 every Phase I evaluation of criteria in progressive 3 design-build entities: (1) experience of personnel; (2) successful experience with similar project (3) 4 types; 5 financial capability; (4) timeliness of past performance; (5) experience with similarly sized projects; (6) 6 successful (7) commitment to assign 7 reference checks of the firm; 8 personnel for the duration of the project and qualifications 9 of the entity's consultants; and (8) ability or past 10 performance in meeting or exhausting good faith efforts to 11 meet the utilization qoals for business enterprises 12 established in the Business Enterprise for Minorities, Women, 13 and Persons with Disabilities Act and with Section 2-105 of 14 the Illinois Human Rights Act. The State construction agency 15 may include any additional relevant criteria in Phase I that 16 it deems necessary for a proper qualification review.

17 State construction agency may not consider The any progressive design-build entity for evaluation or award if the 18 entity has any pecuniary interest in the project or has other 19 20 relationships or circumstances, including but not limited to, 21 long-term leasehold, mutual performance, or development 22 contracts with the State construction agency, that may give 23 the progressive design-build entity a financial or tangible advantage over other progressive design-build entities in the 24 preparation, evaluation, or performance of the progressive 25 design-build contract or that create the appearance of 26

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impropriety. No proposal shall be considered that does not include an entity's plan to comply with the requirements established in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, for both the design and construction areas of performance, and with Section 2-105 of the Illinois Human Rights Act.

7 Upon completion of the qualifications evaluation, the 8 State construction agency shall create a shortlist of the most 9 highly qualified progressive design-build entities. The State 10 construction agency, in its discretion, is not required to 11 shortlist the maximum number of entities as identified for 12 Phase II evaluation, provided however, no less than 2 progressive design-build entities nor more than 6 are selected 13 14 to present to the selection committee in an interview.

15 The State construction agency shall notify the entities 16 selected for the shortlist in writing. This notification shall 17 commence the period for the preparation for presentations and The State construction 18 interviews. agency must allow sufficient time, no less than 28 calendar days, for the 19 20 shortlist entities to prepare their presentations.

(c) The State construction agency shall include in the project advertisement the evaluating factors to be used in the presentations and interviews. Each request for qualifications shall establish the relative importance assigned to each evaluation factor and subfactor, including any weighting of criteria to be employed by the State construction agency. The HB5479 Engrossed - 12 - LRB103 38397 MXP 68532 b

State construction agency must maintain a record of the evaluation scoring to be disclosed in event of a protest regarding the solicitation.

The State construction agency shall include the following 4 5 criteria in every Phase II evaluation of progressive 6 design-build entities: (1) experience with successful 7 completion of similar projects; (2) the design team's approach 8 to program analysis and schematic design; (3) record of budget 9 adherence on recently completed projects; (4) demonstration of 10 past innovation in meeting the scope and performance criteria 11 on past design-build projects; (5) completeness of the overall 12 project team; (6) collaborative experience of the team 13 members; and (7) their plan for achieving project goals for 14 participation. The State construction agency may include any additional relevant technical evaluation factors it deems 15 16 necessary for proper selection.

Upon completion of the evaluation, the State construction agency may award the progressive design-build contract to the highest overall ranked entity. After qualifications have been submitted, a progressive design-build entity shall not replace, remove, or otherwise modify any firm identified as a member of the proposer team unless authorized to do so by the State construction agency.

24 Section 40. Submission of qualifications. Qualifications 25 must be properly identified and sealed. Qualifications may not HB5479 Engrossed - 13 - LRB103 38397 MXP 68532 b

be reviewed until after the deadline for submission has passed 1 2 the as set forth in request for qualifications. All 3 progressive design-build entities submitting qualifications shall be disclosed after the deadline for submission, and all 4 5 progressive design-build entities who are shortlisted for 6 interviews shall also be disclosed at the time of that 7 determination.

8 Qualifications shall include representative projects to 9 demonstrate past experience of the team members on similar 10 progressive design-build projects. Oualifications shall 11 include a list of all design professionals and other entities 12 as defined in Section 30-30 of the Illinois Procurement Code to which any work may be subcontracted during the performance 13 of the contract. Any entity that will perform any of the 5 14 subdivisions of work defined in Section 30-30 of the Illinois 15 16 Procurement Code must meet pregualification standards of the 17 State construction agency.

Qualifications must meet all material requirements of the request for qualifications, or they may be rejected as nonresponsive. The State construction agency shall have the right to reject any and all qualifications.

The State construction agency shall review the qualifications for compliance with the performance criteria and evaluation factors.

25 Qualifications may be withdrawn prior to evaluation for 26 any cause. After evaluation begins by the State construction HB5479 Engrossed - 14 - LRB103 38397 MXP 68532 b agency, clear and convincing evidence of error is required for withdrawal.

3 Section 45. Award. The State construction agency may 4 award the contract to the highest overall ranked entity. 5 Notice of award shall be made in writing. Unsuccessful 6 entities shall also be notified in writing. The State 7 construction agency may not request a best and final offer 8 after the receipt of qualifications. The State construction 9 agency mav negotiate with the selected progressive 10 design-build entity after award but prior to contract 11 execution for the purpose of securing better terms than 12 originally proposed, provided that the salient features of the request for gualifications are not diminished. 13

14 Section 50. Labor.

15 (a) A contract or agreement under this Act shall require the progressive design-build entity, or the construction 16 17 manager or general contractor of the progressive design-build 18 entity, and all subcontractors of the progressive design-build 19 entity to comply with Section 30-22 of the Illinois 20 Procurement Code as it applies to responsible bidders and to 21 present satisfactory evidence of that compliance to the State 22 construction agency.

(b) A contract or agreement under this Act shall requirethe progressive design-build entity or the construction

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1 manager or general contractor of the progressive design-build 2 entity to enter into a project labor agreement used by the 3 State construction agency.

4 (c) This Section does not apply to construction-related 5 professional services. As used in this Section, "professional 6 services" means those services within the scope of the 7 practice of architecture, professional engineering, structural 8 engineering, or registered land surveying, as defined by the 9 laws of this State.

10 Section 55. Transition to design-bid-build. At the 11 completion of design development, the progressive design-build 12 entity must provide a firm fixed price. The State construction agency reserves the right to transition the project to the 13 14 design-bid-build method if the fixed price exceeds the project 15 budget, the progressive design-build entity's proposed 16 is unreasonable, or if transitioning to the schedule design-bid-build method is in the best interests of the State. 17 The State construction agency will retain ownership of any 18 19 design documents completed by the progressive design-build 20 entity.

21 Section 60. Reports and evaluation. At the end of every 6 22 month period following the contract award, and again prior to 23 final contract payout and closure, a selected progressive 24 design-build entity shall detail, in a written report HB5479 Engrossed - 16 - LRB103 38397 MXP 68532 b

submitted to the State agency, its efforts and success in 1 2 implementing the entity's plan to comply with the utilization goals for business enterprises established in the Business 3 Enterprise for Minorities, Women, and Persons 4 with 5 Disabilities Act and the provisions of Section 2-105 of the Illinois Human Rights Act. If the entity's performance in 6 7 implementing the plan falls short of the performance measures 8 and outcomes set forth in the plans submitted by the entity 9 during the qualifications process, the entity shall, in a 10 detailed written report, inform the General Assembly and the 11 Governor whether and to what degree each progressive 12 design-build contract authorized under this Act promoted the 13 utilization goals for business enterprises established in the 14 Business Enterprise for Minorities, Women, and Persons with Disabilities Act and the provisions of Section 2-105 of the 15 16 Illinois Human Rights Act.

17 Section 65. Federal requirements. In the procurement of 18 progressive design-build contracts, the State construction 19 agency shall comply with federal law and regulations and take 20 all necessary steps to adapt their rules, policies, and 21 procedures to remain eligible for federal aid.

22 Section 70. Capital Development Board consultation. The 23 Capital Development Board shall consult with the applicable 24 chief procurement office to determine which procedures to HB5479 Engrossed - 17 - LRB103 38397 MXP 68532 b

1 adopt and apply to the progressive design-build project 2 delivery method in order to ensure an open, transparent, and 3 efficient process that accomplishes the purposes of this Act.

4 Section 75. Repeal. This Act is repealed on January 1, 5 2027.