

HCS SS SCS SB 128 -- DESIGN-BUILD HIGHWAY PROJECT CONTRACTS

SPONSOR: Rupp (Denison)

COMMITTEE ACTION: Voted "do pass" by the Special Committee on Infrastructure and Transportation Funding by a vote of 12 to 0.

This substitute allows the Highways and Transportation Commission to enter into more than three design-build highway project contracts, but the total number of contracts cannot exceed 2% of the total number of all state highway system projects listed in the commission's approved statewide transportation improvement project for that fiscal year. The substitute specifically allows the commission to enter into design-build highway project contracts for the design, construction, reconstruction, or improvement of Missouri Route 364 in the counties of St. Charles and St. Louis, State Highway 169 and the 96th Street intersection in Kansas City, and State Highway 92 between State Highway 169 and State Route E in Clay County. Authority for these projects will not expire when the commission's authority to enter into design-build highway project contracts expires on July 1, 2012.

The design-builder is required to provide to the commission his or her bid, performance and payment bonds, or letters of credit on forms as the commission determines to be adequate. The performance bond or bonds for the construction period specified must be equal to a reasonable estimate of the total cost of the construction work unless the commission determines in writing that the amount is impractical, in which case the commission must set the amount at the largest amount reasonably available, but not less than \$250 million. Currently, the bond or bonds must be in an aggregate amount of \$200 million or 25% of a reasonable estimate of the cost of construction work, whichever is lower, unless the commission allows other security. Upon award of the design-build highway project contract, the sum of the performance bond and any required additional security will be stated and a matter of public record.

The commission must negotiate and reach agreements including clearance, safety, insurance, and indemnification provisions with affected railroads for any project constructed.

The substitute designates the portion of State Highway 47 in the city limits of the City of Washington as of January 1, 2009, as "Franklin Street."

The substitute contains an emergency clause.

FISCAL NOTE: No impact on state funds in FY 2010, FY 2011, and FY 2012.

PROPONENTS: Supporters say that the bill authorizes the Department of Transportation to enter into more design-build contracts than what is currently authorized.

Testifying for the bill were Senator Rupp; St. Charles County; Associated Contractors of Missouri; Heavy Constructors Association of Greater Kansas City; Missouri Railroad Association; and Associated General Contractors of St. Louis.

OPPONENTS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill were available to answer questions.

Testifying on the bill was Department of Transportation.