

HB 2912 -- STATE CONTRACTS FOR CERTAIN SERVICES

SPONSOR: Veit

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Corrections and Public Institutions by a vote of 11 to 1 with 1 member voting present.

Currently, the agencies of the State may, when authorized, establish standing contracts to accomplish construction, renovation, maintenance, and repair projects not exceeding \$100,000 and job order contracts not to exceed \$300,000.

This bill increases those limits to \$250,000 and \$750,000.

The bill defines "master agreement" as a contract for architecture, engineering, or land surveying services that will be performed on an as-needed basis for an indefinite number of projects over a defined period. The Division of Facilities Management, Design, and Construction of the Office of Administration will have the authority to establish master agreements using a qualification-based selection process where services do not exceed \$100,000 per project.

The Division will issue a request for qualifications for all master agreements, to be published on their website or advertised electronically for at least 10 days before statements of qualifications are reviewed. Requests for qualifications must specify the number of master agreements to be awarded and the basis for establishing multiple master agreements, and such agreements may be awarded based on a set number, geographic region, or the type of projects or services to be performed. Evaluation of the statements of qualifications is specified in the bill.

Master agreements will not exceed two years, including renewal periods, and the value of all services performed under a master agreement must not exceed \$1,000,000 per year. Master agreements must set forth agreed-upon terms and conditions and the fee schedule or hourly rate for the specified period. The scope, schedule, and total fee for each project performed under the master agreement will be established by a task order issued by the Division.

PROPONENTS: Supporters say that we have master agreements to keep small projects moving. This bill allows architects, surveyors, and engineers to work on multiple projects and avoids delays for the state and for firms. This bill will reduce costs for state projects by eliminating duplicative, lengthy processes that exist right now when requesting proposals for small projects. The Request for Proposal process should not be longer than the project itself. Instead, we can set a reasonable rate before the projects come up and vet contractors in advance. We can already set up standing contracts for maintenance work. We do all the qualification work up front. The bill increases the limit for maintenance and repair contracts to account for inflation. This is a common practice with other agencies, going through the qualification process once and remaining on call for low-dollar projects. In fact, the bill implements the process that used to occur until it was discovered our statutes don't include architects, surveyors, and engineers. The bill will allow more work to get done for the same money.

Testifying in person for the bill were Representative Veit; Hannah Swann, Office of Administration ; Bob Gilbert, Bartlett & West, Inc; American Council of Engineering Companies of Missouri; and Curtis L. Goben.

OPPONENTS: There was no opposition voiced to the committee.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.