

County of Placer Board of Supervisors

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April 3, 2023

The Honorable Anna Caballero
California State Senate
1021 O Street, Suite 6730
Sacramento, CA 95814

RE: SB 706 Public Contracts: Progressive Design-Build: Local Agencies - SUPPORT

Dear Senator Caballero:

On behalf of the Placer County Board of Supervisors, I want to thank you for authoring SB 706 (Caballero). We are proud to support to allow counties, cities, and special districts to use the Progressive Design-Build (PDB) project delivery method for construction contracts.

Based on prior legislative efforts, supported by the successful execution of multiple design-build projects, SB 706 will help Design-Build (DB) delivery become more readily available and accepted by multiple public and private agencies throughout the State of California.

Prior legislation efforts included SB 785 (Wolk), enacted during the 2013-2014 legislative session, SB 785 streamlined years of DB statutes in various codes for the design-build community. It included uniform provisions which authorized most local agencies to use the DB procurement process for specified public works projects within Public Contract Codes Sections 22160-22169. This legislation excluded roads but included buildings, utility improvements associated with buildings, flood control, underground utility improvements, and bridges.

Because of this legislation, many local governments including Placer County, have authority to use and have used Design-Build (DB) for many of our public works projects, however the DB statute does not specifically allow for Progressive Design Build. Public Contract Code (PCC) §22164(f)(1)(a) mandates that a local agency may only use the Design-Build project delivery method if its selection criteria include a "price," which some agencies interpret to mean the price for the entire DB project. Under this interpretation, the contract must be awarded on a lump sum or stipulated sum basis, while a Progressive Design-Build (PDB) approach requires award in advance of development of the design to a level allowing a fixed price bid, thus allowing agencies to gain additional benefits from input from the design and construction team at early stage of project development, optimizing the design, and maximizing the cost and schedule advantage.

Limited use of Progressive Design-Build as a delivery methodology has been allowed for water, wastewater, recycled water, advanced treated water, and supporting facilities. Due to the limitations of current PDB legislation, it would be in the public interest to expand the authority to additional agencies and different types of projects because PDB allows public agencies to complete public works projects more quickly and at a lower cost; thereby allowing public dollars to provide greater benefits to the public - especially federal dollars with strict use-it-or-lose-it timelines - without sacrificing important protections that the public expects. Progressive Design-Build entails use of a two-part award system allowing for confirmation of full scope of work, with fewer ambiguities, less time and cost in procurement, and more competitive pricing from trades.

SB 706 will allow Placer County to attract more proposers for their projects by significantly reducing the cost of responding to RFPs compared to other contracting methods. In addition to offering the advantage of a reduced project schedule and cost, it also increases partnering between the agency and contractor through the design

many other jurisdictions face unique safety challenges on certain projects and utilization of PDB will allow these projects to be completed in a much safer manner due to the added flexibility and collaboration throughout the entire project.

Your leadership in authoring this measure will be met with all our support and those who stand to benefit. For these reasons that Placer County strongly supports SB 706 and respectfully urges your 'yes' vote on the measure. If you should have any questions, please contact Joel Joyce, Legislative and Governmental Affairs Coordinator at jjoyce@placer.ca.gov or at (530) 889-4026.

Sincerely,

COUNTY OF PLACER



Jim Holmes, Chair
Placer County Board of Supervisors

cc: Placer County Board of Supervisors
Placer County State Elected Delegation
CSAC
RCRC
SYASL