

1 ENGROSSED SENATE AMENDMENT
TO

2 ENGROSSED HOUSE
3 BILL NO. 1990

By: Brumbaugh and Murphey of
the House

4 and

5 Treat of the Senate

6
7
8 An Act relating to public buildings and public works;
9 *** Public Building Construction and Planning Act;
10 *** allowing Director to authorize exemptions;
11 modifying the State Construction Revolving Fund;
12 modifying the adoption of certain construction
13 standards; eliminating definitions; and providing an
14 effective date.

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AMENDMENT NO. 1. Page 1, strike the title, enacting clause and
entire bill and insert

"An Act relating to public buildings and public
works; amending 61 O.S. 2011, Sections 60, 61, 62, 63
and 65, as amended by Sections 305, 306, 307, 309 and
310, Chapter 304, O.S.L. 2012, Section 201, Section
202, as last amended by Section 48 of Enrolled Senate
Bill No. 977 of the 1st Session of the 54th Oklahoma
Legislature, Sections 202.1 and 203, as amended by
Sections 319 and 320, Chapter 304, O.S.L. 2012,
Section 204, as last amended by Section 50 of
Enrolled Senate Bill No. 977 of the 1st Session of
the 54th Oklahoma Legislature, Section 208, as
amended by Section 324, Chapter 304, O.S.L. 2012,
Sections 208.1 and 208.2, as last amended by Sections
52 and 54 of Enrolled Senate Bill No. 977 of the 1st
Session of the 54th Oklahoma Legislature, Section
208.3 and Sections 209, 210, 213 and 220, as amended
by Sections 327, 328, 331 and 332, Chapter 304,
O.S.L. 2012 (61 O.S. Supp. 2012, Sections 60, 61, 62,

1 63, 65, 202.1, 203, 208, 209, 210, 213 and 220),
2 which relate to the Public Building Construction and
3 Planning Act; modifying references; modifying
4 definitions; creating the Department of Real Estate
5 Services; creating within the Department the position
6 of State Facilities Director; modifying
7 qualifications of Director; requiring the Department
8 of Real Estate Services to perform procurement
9 actions for certain agencies; increasing amount of
10 certain contract; providing exceptions for certain
11 notice and bids; modifying definitions; eliminating
12 annual reporting requirement from the State
13 Construction Administrator; providing State
14 Facilities Director with certain authority; providing
15 that certain terms have certain meanings; modifying
16 duties of the Department; authorizing Department to
17 issue solicitations and award statewide contracts for
18 managed construction service; authorizing Department
19 to provide management and maintenance for certain
20 agencies; allowing Director to authorize exemptions;
21 modifying the State Construction Revolving Fund;
22 modifying the adoption of certain construction
23 standards; eliminating definitions; and providing an
24 effective date.

15 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

16 SECTION 1. AMENDATORY 61 O.S. 2011, Section 60, as
17 amended by Section 305, Chapter 304, O.S.L. 2012 (61 O.S. Supp.
18 2012, Section 60), is amended to read as follows:

19 Section 60. All state agencies, boards, commissions, offices,
20 institutions, and other governmental bodies of this state, and all
21 individuals representing such entities, except the Department of
22 Transportation, the Oklahoma Turnpike Authority, the Oklahoma State
23 Regents for Higher Education and its constituent institutions and
24 CompSource Oklahoma provided CompSource Oklahoma is operating

1 pursuant to a pilot program authorized by Sections 3316 and 3317 of
2 Title 74 of the Oklahoma Statutes, shall use construction manager,
3 consultant and construction contract forms that the State
4 ~~Construction Administrator~~ Facilities Director of the ~~Construction~~
5 ~~and Properties Division~~ Department of Real Estate Services of the
6 Office of Management and Enterprise Services requires to award and
7 execute contracts for designs to construct, renovate, alter, repair,
8 maintain, or improve real property or fixtures of real property of
9 the state. The ~~Administrator~~ State Facilities Director may
10 authorize, in writing, exceptions to the use of construction
11 manager, consultant and construction contract forms for specific
12 projects.

13 SECTION 2. AMENDATORY 61 O.S. 2011, Section 61, as
14 amended by Section 306, Chapter 304, O.S.L. 2012 (61 O.S. Supp.
15 2012, Section 61), is amended to read as follows:

16 Section 61. As used in Sections 61 through 65 of this title:

17 1. ~~"Administrator" means the State Construction Administrator~~
18 ~~of the Construction and Properties Division of the Office of~~
19 ~~Management and Enterprise Services;~~

20 2. "Chief administrative officer" means an individual
21 responsible for directing the administration of a state agency. The
22 term does not mean one or all of the individuals that make policy
23 for a state agency;

24

1 ~~3.~~ 2. "Construction manager" means an individual, firm,
2 corporation, association, partnership, copartnership, or any other
3 legal entity possessing the qualifications to provide services of
4 construction management which include, but are not necessarily
5 limited to, design review, scheduling, cost control, value
6 engineering, constructability evaluation, preparation and
7 coordination of bid packages, and construction administration;

8 ~~4.~~ 3. "Consultant" means an individual or legal entity
9 possessing the qualifications to provide licensed architectural,
10 registered engineering, or registered land surveying services or
11 other individuals or legal entities possessing specialized
12 credentials and qualifications as may be needed to evaluate, plan or
13 design for any construction or a public work improvement project;

14 ~~5.~~ 4. "Director" means the Director of the Office of Management
15 and Enterprise Services;

16 ~~6.~~ 5. "Department" means the ~~Construction and~~
17 ~~Properties Division~~ Department of Real Estate Services of the Office
18 of Management and Enterprise Services;

19 ~~7.~~ 6. "Office" means the Office of Management and Enterprise
20 Services;

21 ~~8.~~ 7. "Project" means studies, evaluations, plans or designs
22 for ~~a~~ facility evaluations or public work improvement improvements,
23 except the transportation facilities under the jurisdiction of the
24 Department of Transportation or the Oklahoma Turnpike Authority:

- 1 a. to construct, renovate, alter, repair, maintain, or
2 improve real property or fixtures of real property, and
3 b. that does not constitute "construction" as defined by
4 the Public Building Construction and Planning Act; ~~and~~

5 ~~9.~~ 8. "State agency" means an agency, office, officer, bureau,
6 board, counsel, court, commission, institution, unit, division, body
7 or house of the executive or judicial branches of state government,
8 whether elected or appointed, excluding only political subdivisions
9 of the state and the Oklahoma State Regents for Higher Education and
10 its constituent institutions; and

11 9. "Facilities Director" or "SFD" means the State Facilities
12 Director of the Department of Real Estate Services of the Office of
13 Management and Enterprise Services.

14 SECTION 3. AMENDATORY 61 O.S. 2011, Section 62, as
15 amended by Section 307, Chapter 304, O.S.L. 2012 (61 O.S. Supp.
16 2012, Section 62), is amended to read as follows:

17 Section 62. A. ~~The Construction and Properties Division~~
18 Department of Real Estate Services of the Office of Management and
19 Enterprise Services shall maintain a file of all persons and
20 entities interested in and capable of performing construction
21 management and consultant services for state agencies. The file
22 shall include registration forms and information submitted by
23 construction managers and consultants pursuant to rules promulgated
24 by the Office of Management and Enterprise Services. Pursuant to

1 rules promulgated by the Office, the ~~Division~~ Department shall
2 determine whether a construction manager or consultant qualifies for
3 registration and shall notify the construction manager or consultant
4 within twenty (20) days of receipt of a request for registration.
5 Construction managers and consultants shall re-register for each
6 successive calendar year with the ~~Division~~ Department.

7 B. The requisitioning state agency shall define the scope of a
8 proposed project. The scope shall identify project components,
9 phases, and timetables and shall include detailed project
10 descriptions. The state agency may request the ~~Division~~ Department
11 to assist with scope development. The state agency shall send the
12 scope and a requisition for construction management or consultant
13 services, signed by ~~the chief administrative officer~~ an authorized
14 official, to the ~~Division~~ Department. The ~~Division~~ Department shall
15 review the scope and approve it before the state agency issues a
16 solicitation.

17 C. The state agency shall issue a solicitation to construction
18 managers or consultants that are registered with the Department and
19 capable of providing the services the state agency desires. The
20 solicitation shall, at a minimum, contain:

- 21 1. Description and scope of the project;
- 22 2. Estimated construction cost or available funds, anticipated
23 starting date, and completion date the state agency desires for the
24 project;

1 3. Certification of funds available for the construction
2 manager or consultant fee, including federal, state or other
3 participation;

4 4. Closing date for construction manager or consultant to give
5 notice of interest to the state agency; and

6 5. Additional data the state agency requires from the
7 construction manager or consultant. The closing date for submission
8 of construction manager or consultant notice of interest for
9 consideration shall be within thirty (30) days of the date of the
10 notice the state agency issues.

11 D. After the closing date, the ~~State Construction Administrator~~
12 ~~of the Construction and Properties Division of the Office of~~
13 ~~Management and Enterprise Services~~ Department shall provide
14 information from the construction managers' or consultants' files to
15 the state agency. Should there be an inadequate expression of
16 interest in the project, the state agency and ~~Division~~ Department
17 personnel shall confer to add construction managers or consultants
18 for consideration.

19 E. The state agency shall review the information the ~~Division~~
20 Department provides and shall select no less than three and no more
21 than five construction managers or consultants per contract for
22 interviews. The review shall include consideration of factors from
23 the information the ~~Division~~ Department supplies including, but not
24 limited to:

1 1. Professional qualifications for the type of work
2 contemplated;

3 2. Capacity for completing the project in the specified time
4 period; and

5 3. Past performance on projects of a similar nature.

6 F. The ~~Division~~ Department shall advise the state agency of the
7 methods to be used to conduct an evaluation, interview, selection,
8 contract negotiation, and fee negotiation processes pursuant to
9 rules promulgated by the Office of Management and Enterprise
10 Services.

11 G. 1. Upon completion of contract negotiation with the highest
12 qualified construction manager or consultant, which contract shall
13 include a fair and reasonable fee, the ~~Division~~ Department shall
14 approve and award the contract.

15 2. If the ~~Division~~ Department and the first-choice construction
16 manager or consultant cannot reach an agreement, the negotiations
17 shall terminate and negotiations with the second-choice construction
18 manager or consultant shall commence. If the ~~Division~~ Department
19 and the second-choice construction manager or consultant cannot
20 reach an agreement, the negotiations shall terminate and
21 negotiations with the third-choice construction manager or
22 consultant shall commence. If the ~~Division~~ Department and the
23 third-choice construction manager or consultant cannot reach an
24 agreement, then all negotiations shall terminate. Should the

1 ~~Division~~ Department be unable to negotiate a satisfactory contract
2 with any of the three selected construction managers or consultants,
3 the ~~Division~~ Department shall select additional construction
4 managers or consultants in order of their competency and
5 qualifications and shall continue negotiations in accordance with
6 the provisions of this section until an agreement is reached.

7 H. Any plans developed pursuant to the process for selection of
8 a contractor for construction of a facility authorized pursuant to
9 Section 183 of Title 73 of the Oklahoma Statutes shall become the
10 property of the State of Oklahoma as a condition of the award of the
11 final contract for construction of the facility.

12 I. For all state agencies subject to the Public Facilities Act,
13 Sections 202 through 220 of this title, the Department shall perform
14 the necessary procurement actions on behalf of a requisitioning
15 agency as enumerated in subsections B through H of this section:

16 1. Determine or approve the agency's scope of a project and
17 required services as provided in the Public Facilities Act;

18 2. Issue solicitations for construction manager and consultant
19 services;

20 3. Conduct evaluations, interviews, selection, contract
21 negotiation, and fee negotiation processes; and

22 4. Provide contract management services after award of a
23 construction management or consultant contract.

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1 J. In the selection of a construction manager or consultant,
2 all political subdivisions of this state shall follow these
3 procedures:

4 The subdivision shall select a construction manager or
5 consultant based upon the professional qualifications and technical
6 experience of the construction manager or consultant. The
7 subdivision shall negotiate a contract with the highest qualified
8 construction manager or consultant, provided that a fee can be
9 negotiated that is fair and reasonable to both parties. In the
10 event a reasonable fee cannot be negotiated with the selected
11 construction manager or consultant, the subdivision may negotiate
12 with other construction managers or consultants in order of their
13 qualifications.

14 SECTION 4. AMENDATORY 61 O.S. 2011, Section 63, as
15 amended by Section 309, Chapter 304, O.S.L. 2012 (61 O.S. Supp.
16 2012, Section 63), is amended to read as follows:

17 Section 63. All drawings, plans, specifications, reports, and
18 models made by a construction manager or consultant for a state
19 agency shall be the property of this state, and shall be delivered
20 to the ~~Construction and Properties Division~~ Department of Real
21 Estate Services of the Office of Management and Enterprise Services.
22 The ~~construction manager or consultant receiving payment for plans~~
23 ~~paid for in whole or in part with state funds~~ agency shall file such
24 plans with the ~~Division~~ Department for inclusion in a library system

1 to be maintained by the ~~Division~~ Department. Any state agency shall
2 have access for review to any plans or specifications filed with the
3 ~~Division~~ Department.

4 SECTION 5. AMENDATORY 61 O.S. 2011, Section 65, as
5 amended by Section 310, Chapter 304, O.S.L. 2012 (61 O.S. Supp.
6 2012, Section 65), is amended to read as follows:

7 Section 65. A. In addition to the conditions prescribed
8 pursuant to subsections C and D of this section, the provisions of
9 Section 62 of this title shall not apply whenever the ~~Construction~~
10 ~~and Properties Division~~ Department of Real Estate Services of the
11 Office of Management and Enterprise Services with concurrence of the
12 chief administrative officer of the public agency affected declares
13 that an emergency exists. The construction manager or consultant
14 shall be selected by the State ~~Construction Administrator~~ Facilities
15 Director of the ~~Construction and Properties Division~~ Department of
16 Real Estate Services of the Office of Management and Enterprise
17 Services. The resulting construction manager or consultant contract
18 shall not exceed ~~Fifteen Thousand Dollars (\$15,000.00)~~ Fifty
19 Thousand Dollars (\$50,000.00). The reasons for the emergency shall
20 be recorded in the official records of the ~~Division~~ Department.

21 B. Emergency as used in this section shall be limited to
22 conditions resulting from any of the following:

23 1. A sudden unexpected happening or unforeseen occurrence if it
24 is impossible for the provisions of Section 62 of this title to be

1 observed because of the time factor and if the public health or
2 safety is endangered; and

3 2. A condition or situation which, if allowed to continue,
4 would lead to economic loss to the state or to further damage of
5 state property.

6 C. The provisions of Section 62 of this title shall not apply
7 to the process for construction of a correctional facility whenever
8 the State Board of Corrections informs the ~~Division~~ Department that
9 an emergency condition threatens the security of the state
10 correctional system, including inmate population growth, and the
11 condition requires expeditious treatment for the review, approval
12 and bid process as it relates to construction or expansion of
13 correctional facilities. The ~~Division~~ Department and the Department
14 of Corrections are authorized to implement an expedited competitive
15 bid process for the contracting of construction managers or
16 consultants and construction of new or expanded correctional
17 facilities that adequately respond to the emergency. The State
18 Board of Corrections shall provide written notification to the
19 Governor, the Speaker of the House of Representatives and to the
20 President Pro Tempore of the Senate of the emergency conditions.

21 D. The provisions of Section 62 of this title shall not apply
22 to CompSource Oklahoma if CompSource Oklahoma is operating pursuant
23 to a pilot program authorized by Sections 3316 and 3317 of Title 74
24 of the Oklahoma Statutes.

1 SECTION 6. AMENDATORY 61 O.S. 2011, Section 201, is
2 amended to read as follows:

3 Section 201. Sections 202 through ~~209~~ 220 of this title shall
4 be known and may be cited as the "Public ~~Building Construction and~~
5 ~~Planning Facilities~~ Act".

6 SECTION 7. AMENDATORY 61 O.S. 2011, Section 202, as last
7 amended by Section 48 of Enrolled Senate Bill No. 977 of the 1st
8 Session of the 54th Oklahoma Legislature, is amended to read as
9 follows:

10 Section 202. As used in the Public ~~Building Construction and~~
11 ~~Planning Facilities~~ Act:

12 1. ~~"Administrator" means the State Construction Administrator~~
13 ~~of the Construction and Properties Division of the Office of~~
14 ~~Management and Enterprise Services ;~~

15 ~~2.~~ "Annual capital plan" means the collective state facility
16 capital improvements ~~and real property transactions approved by the~~
17 ~~Legislature relative to state construction, maintenance, and real~~
18 ~~estate services,~~ facility operations and maintenance, rent and lease
19 payments, facility debt services, water, sewer and energy utilities
20 and real property transactions approved by the Legislature in a
21 capital budget relative to state construction, maintenance, and real
22 estate services;

23 ~~3.~~ 2. "Capital planning and asset management" means the
24 processes delegated to the ~~Construction and Properties Department~~

1 ~~for real property data acquisition, data analysis and determination~~
2 ~~of capital construction projects, disposition of real property and~~
3 ~~leasing of facility space~~ Department of Real Estate Services for
4 real property data acquisition, data analysis and determination of
5 capital construction projects and procurement related to real
6 property;

7 4. 3. "Construction" means the process of planning, acquiring,
8 designing, building, equipping, altering, repairing, improving,
9 maintaining, leasing, disposing or demolishing any structure or
10 appurtenance thereto including facilities, utilities, or other
11 improvements to any real property but not including highways,
12 bridges, airports, railroads, tunnels, sewers not related to a
13 structure or appurtenance thereto, or dams;

14 5. 4. "Construction administration" means a series of actions
15 required of the ~~State Construction Administrator~~ State Facilities
16 Director, of other state agency employees, or, under a construction
17 administration contract or contract provision, to ensure the full,
18 timely, and proper performance of all phases of a construction
19 project by all contractors, suppliers, and other persons having
20 responsibility for project work and any guarantees or warranties
21 pertaining thereto;

22 5. "Department" means the Department of Real Estate Services of
23 the Office of Management and Enterprise Services;
24

1 6. "Construction management" means a project delivery method
2 based on an agreement whereby the owner acquires from a construction
3 entity a series of services that include, but are not necessarily
4 limited to, design review, scheduling, cost control, value
5 engineering, constructability evaluation, preparation and
6 coordination of bid packages, and construction administration;

7 "construction management" includes:

8 a. "agency construction management" whereby the
9 construction entity provides services to the owner
10 without taking on financial risks for the execution of
11 the actual construction, and

12 b. "at-risk construction management" whereby the
13 construction entity, after providing agency services
14 during the pre-construction period, takes on the
15 financial obligation to carry out construction under a
16 specified cost agreement;

17 7. "Consultant" means an individual or legal entity possessing
18 the qualifications to provide licensed architectural, registered
19 engineering, registered land surveying, certified appraisal, land
20 title, or abstract services or possessing specialized credentials
21 and qualifications as may be needed to evaluate, plan or design for
22 any construction or public work improvement project, or to lease,
23 acquire or dispose of state-owned real property;

1 8. ~~"Design build" means a project delivery method whereby the~~
2 ~~state acquires both design and construction services in the same~~
3 ~~contract from a single legal entity, referred to as the design-~~
4 ~~builder, without the bid component of the traditional design-bid-~~
5 ~~build process;~~

6 9. ~~"Director" means the Director of the Office of Management~~
7 ~~and Enterprise Services;~~

8 10. "Division" means the Construction and Properties Division
9 of the Office of Management and Enterprise Services;

10 11. 9. "Energy performance index or indices" (EPI) means a
11 number describing the energy requirements at the building boundary
12 of a structure, per square foot of floor space or per cubic foot of
13 occupied volume, as appropriate under defined internal and external
14 ambient conditions over an entire seasonal cycle. As experience
15 develops on the energy performance achieved with state construction,
16 the indices (EPI) will serve as a measure of structure performance
17 with respect to energy consumption;

18 12. 10. "Facilities Director" or "SFD" means the State
19 Facilities Director of the Department of Real Estate Services of the
20 Office of Management and Enterprise Services;

21 11. "Life cycle costs" means the cost of owning, operating, and
22 maintaining the structure over the life of the structure. This may
23 be expressed as an annual cost for each year of the facility's use;

1 ~~13.~~ 12. "Office" means the Office of Management and Enterprise
2 Services;

3 ~~14.~~ 13. "Procurement" means buying, purchasing, renting,
4 leasing, allocating, trading or otherwise acquiring or disposing of
5 supplies, services, or construction necessary to evaluate, plan,
6 construct, manage, operate and preserve real property capital
7 assets;

8 ~~15.~~ 14. "Public improvement" means any beneficial or valuable
9 change or addition, betterment, enhancement or amelioration of or
10 upon any real property, or interest therein, belonging to a ~~public~~
11 state agency and the State of Oklahoma, intended to enhance its
12 value, beauty or utility or to adapt it to new or further purposes.
13 The term does not include the direct purchase of materials, ~~provided~~
14 ~~that the materials are not purchased in increments for an amount of~~
15 ~~less than Twenty five Thousand Dollars (\$25,000.00) and used for the~~
16 ~~purposes of completing a single project, equipment or supplies by a~~
17 ~~public agency, or any personal property as defined in paragraphs 1~~
18 ~~and 4 of subsection B of Section 430.1 of Title 62 of the Oklahoma~~
19 ~~Statutes~~ used for general repairs and maintenance to state
20 facilities;

21 ~~16.~~ 15. "Shared savings financing" means the financing of
22 energy conservation measures and maintenance services through a
23 private firm which may own any purchased equipment for the duration
24 of a contract. Such contract shall specify that the private firm

1 will be recompensed either out of a negotiated portion of the
2 savings resulting from the conservation measures and maintenance
3 services provided by the private firm or, in the case of a
4 cogeneration project, through the payment of a rate for energy lower
5 than would otherwise have been paid for the same energy from current
6 sources; and

7 ~~17.~~ 16. "State agency" means an agency, board, commission,
8 counsel, court, office, officer, bureau, institution, unit,
9 division, body, or house of the executive or judicial branches of
10 government of this state, whether elected or appointed, excluding
11 only political subdivisions and the Oklahoma State Regents of Higher
12 Education and its constituent institutions.

13 SECTION 8. AMENDATORY 61 O.S. 2011, Section 202.1, as
14 amended by Section 319, Chapter 304, O.S.L. 2012 (61 O.S. Supp.
15 2012, Section 202.1), is amended to read as follows:

16 Section 202.1. A. The design-build and construction management
17 project delivery methods shall not be used without the written
18 approval of the Director of the Office of Management and Enterprise
19 Services, or the Director's designee, when those projects are
20 constructed for a state agency or by an act of the Legislature
21 specifying design-build or at-risk construction management for a
22 project. In all instances where the design-build project or at-risk
23 construction management delivery method is authorized, construction
24 administration shall be performed by the State ~~Construction~~

1 ~~Administrator~~ Facilities Director, the ~~Administrator's~~ SFD's
2 designee or designees, or otherwise by contract or contract
3 provision approved by the Director of the Office of Management and
4 Enterprise Services for construction administration by another
5 party.

6 B. Municipalities, counties, public trusts, or any other
7 political subdivision in this state shall not be required to get
8 approval of any other state agency in order to use ~~design-build~~
9 agency construction management or at-risk construction management as
10 a construction ~~management~~ delivery method. However, municipalities,
11 counties, public trusts, and any other political subdivision shall
12 be subject to ~~all other provisions of the Public Building~~
13 ~~Construction and Planning Act~~ Section 220 of this title.

14 C. The design-build and construction management project
15 delivery methods shall not be used for any project unless the
16 project meets the criteria established by the administrative rules
17 promulgated as required by this act. Such methods shall not be used
18 unless there is a need for compressed construction time as required
19 to respond to a natural disaster or other emergency situation
20 affecting public health and safety, or all of the following criteria
21 for designation are met:

- 22 1. The project benefits the public;
- 23 2. There is a need for cost control; and

24

1 3. The need exists for specialized or complex construction
2 methods due to the unique nature of the project.

3 D. The use of design-build and construction management project
4 delivery methods shall not interfere or inhibit the opportunity for
5 subcontractors to openly and freely compete for subcontracts
6 pursuant to the Public Competitive Bidding Act of 1974 with respect
7 to public notices.

8 E. The provisions of subsections A and B of this section shall
9 not apply to projects by contract pursuant to an interagency
10 agreement under Section 581 of Title 74 of the Oklahoma Statutes or
11 to projects a state agency performs solely with the staff of the
12 agency.

13 ~~F. The State Construction Administrator shall file an annual~~
14 ~~report to the legislature summarizing cost information for each~~
15 ~~construction management project completed the preceding year.~~

16 ~~G.~~ The Office of Management and Enterprise Services shall,
17 pursuant to the Administrative Procedures Act, promulgate rules to
18 effect procedures, processes and design-build/construction
19 management fee guidelines necessary to the fulfillment of its
20 responsibilities under this section.

21 ~~H.~~ G. As used in the Public ~~Building Construction and Planning~~
22 Facilities Act, public trusts shall not include state beneficiary
23 public trusts.

1 SECTION 9. AMENDATORY 61 O.S. 2011, Section 203, as
2 amended by Section 320, Chapter 304, O.S.L. 2012 (61 O.S. Supp.
3 2012, Section 203), is amended to read as follows:

4 Section 203. A. There is hereby created within the Office of
5 Management and Enterprise Services the ~~Construction and Properties~~
6 ~~Division~~ Department of Real Estate Services.

7 B. There is hereby created within the ~~Division~~ Department the
8 position of State ~~Construction Administrator~~ Facilities Director who
9 shall be the chief administrative officer of the ~~Division~~ Department
10 and chief official over procurement as authorized in this act. The
11 ~~Administrator~~ State Facilities Director shall be a registered
12 professional engineer ~~or~~, a licensed architect or an individual
13 credentialed and experienced in the field of real property
14 administration who shall be appointed by and serve at the pleasure
15 of the Director.

16 C. The State Facilities Director or designee shall have
17 authority over planning, procurement, contracts, facility
18 management, property standards, state leasing and real estate
19 brokerage services as delegated to the Department.

20 D. The Director shall employ or contract with experts and
21 consultants as are necessary to perform the duties of the ~~Division~~
22 Department.

23 E. Anywhere the terms "State Construction Administrator" and
24 "Construction and Properties Division" appear in the Oklahoma

1 Statutes, they shall have the same meaning as "State Facilities
2 Director" and "Department of Real Estate Services" respectively.

3 SECTION 10. AMENDATORY 61 O.S. 2011, Section 204, as
4 last amended by Section 50 of Enrolled Senate Bill No. 977 of the
5 1st Session of the 54th Oklahoma Legislature, is amended to read as
6 follows:

7 Section 204. A. ~~The Construction and Properties Division of~~
8 ~~the Office of Management and Enterprise Services~~ Department of Real
9 Estate Services shall:

10 1. Maintain a comprehensive master plan for utilization and
11 construction of state buildings ~~for state agencies~~, capital
12 improvements, and utilization of land owned by this state.

13 Requirements of the master planning process shall include:

- 14 a. reporting by each state agency concerning facility
15 needs,
- 16 b. data acquisition of condition and performance
17 benchmarking of state agency facilities,
- 18 c. analyses and audits of state agency facilities,
19 properties and leaseholds to determine critical and
20 long-range needs,
- 21 d. development of state agency long-range strategic
22 facility plans,
- 23
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- 1 e. short-range project programming to identify budget
2 requests for facility capital improvements and asset
3 management decisions, and
4 f. an annual capital plan for all state agencies
5 submitted to the Legislature for line-item
6 appropriation requests;

7 2. Review and approve all construction plans and specifications
8 to ensure compliance with good construction practices and space
9 standards, costs of project, proposed construction timetables, and
10 agency need for the project, ~~except as otherwise provided in~~
11 ~~subsection B of this section;~~

12 3. Inspect prior to acceptance and final payment all completed
13 projects for which the ~~Division~~ Department issued bid solicitations
14 to ensure compliance with the plans and specifications of the
15 project;

16 4. ~~Provide assistance to state agencies when a state agency~~
17 ~~desires to~~ Select and hire a consultant or consultants and
18 construction ~~manager~~ managers for a ~~project~~ projects as determined
19 or approved by the Department. ~~Except as provided by subsection B~~
20 ~~of this section, the Division~~ The Department shall select, award and
21 execute contracts to consultants and construction managers that
22 provide services to state agencies ~~for construction projects~~ subject
23 to this act;
24

1 5. Develop and issue solicitations for award of state agency
2 contracts for construction services. The ~~Division~~ Department shall
3 have final approval authority for contracts and contract documents.
4 Neither the ~~Division~~ Department nor any ~~state agency~~ public entity
5 shall, for performance of work that requires that a contractor be
6 licensed by this state, issue a solicitation to, or make a contract
7 with, a contractor not licensed by this state;

8 6. Review inspections performed by consultants and construction
9 managers during construction, perform primary inspections when
10 consultants or construction managers are not used, and final
11 inspections after completion;

12 7. ~~Recommend~~ Establish standards, ~~including, but not limited~~
13 ~~to, building codes~~ and policies as required to standardize facility
14 assessment and benchmarking, facility operations and maintenance,
15 asset preservation, design and energy standards, space utilization,
16 material testing, indexes of efficiency, economy, and effectiveness,
17 ~~pursuant to rules the Director promulgates;~~

18 8. Monitor indices of facility condition, effectiveness of
19 operations and maintenance programs, deferred maintenance
20 prioritization, effectiveness of planning processes, budgeting for
21 capital needs, application of facility standards as established by
22 the Department, and performance outcomes of construction projects to
23 ensure maximum efficiency in the expenditure of state funds for
24

1 ~~construction~~ asset management and preservation of the state's
2 capital real property;

3 9. Coordinate, monitor and report on statewide energy
4 conservation programs delegated to the Office;

5 10. Provide property leasing and brokerage services delegated
6 to the Office;

7 11. Report fraud or waste in any construction project by
8 written notification with documentation for the report to the
9 Attorney General. The Attorney General shall take appropriate
10 action to protect the interest of the state; and

11 ~~10.~~ 12. Prequalify as good and sufficient insurance carriers,
12 bonding companies and surety companies to meet provisions of
13 Sections 1 and 134 of this title. The Director shall promulgate
14 rules to establish criteria to determine whether a carrier or
15 company is good and sufficient. The prequalification requirement
16 and process shall not violate the provisions of Section 135 of this
17 title.

18 B. When a state agency ~~has~~ employs a licensed architect or
19 licensed engineer, as a full-time employee, ~~to review construction~~
20 ~~plans and specifications, the review and approval of all~~
21 ~~construction plans and specifications required pursuant to paragraph~~
22 ~~2 of subsection A of this section shall not apply to:~~

23 1. ~~The common schools subject to the jurisdiction of the State~~
24 ~~Department of Education;~~ said licensed employee may conduct required

1 facility planning, prepare project plans and specifications and
2 monitor construction work as prescribed by the Department. State
3 agencies authorized to employ licensed architects and engineers for
4 the purposes of this section include:

5 ~~2.~~ 1. The Department of Transportation with respect to
6 highways, bridges and dams;

7 ~~3.~~ 2. The Oklahoma State ~~System of~~ Regents for Higher Education
8 and its constituent institutions;

9 ~~4.~~ 3. The Military Department of the State of Oklahoma;

10 ~~5.~~ 4. The Oklahoma Tourism and Recreation Department; and

11 ~~6.~~ 5. The Department of Human Services.

12 C. Not later than December 31, 2012, with the advice of the
13 State ~~Construction Administrator~~ Facilities Director, the Director
14 of the Office of Management and Enterprise Services shall provide a
15 report containing recommendations to the Legislature for the
16 streamlining, integration, and consolidation of state construction,
17 maintenance, and real property management processes to maximize
18 capital assets and achieve cost savings to the state. The report
19 shall identify the necessary planning processes for transitioning
20 from a decentralized capital budgeting process to a centralized
21 annual capital plan appropriation process, to be implemented no
22 later than January 1, 2014.

23

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1 SECTION 11. AMENDATORY 61 O.S. 2011, Section 208, as
2 amended by Section 324, Chapter 304, O.S.L. 2012 (61 O.S. Supp.
3 2012, Section 208), is amended to read as follows:

4 Section 208. A. The ~~Construction and Properties Division~~
5 Department of Real Estate Services of the Office of Management and
6 Enterprise Services shall ~~approve state agency selection of,~~ select
7 and award contracts to~~r~~ construction managers and design consultants
8 pursuant to the provisions of Section 62 of this title.

9 B. The negotiation of construction manager and ~~design~~
10 consultant contracts and fees shall be performed by the ~~Division~~
11 Department.

12 C. The ~~Division~~ Department shall award and administer
13 construction contracts for state agencies pursuant to the provisions
14 of the Public Competitive Bidding Act of 1974.

15 D. 1. When all bids for a public construction contract exceed
16 ~~an agency's~~ the programmed estimate and available funding, the ~~State~~
17 ~~Construction Administrator~~ Department may enter into negotiations
18 with the lowest responsible bidder for the purpose of modifying the
19 project scope and reducing the construction cost, provided that:

20 a. the unexpected higher construction costs resulted from
21 unforeseen economic conditions or otherwise sudden
22 price volatility in the construction industry,
23
24

1 b. the project was appropriately planned, and cost
2 estimates were developed using standards of care
3 acceptable to the ~~Division~~ Department, and

4 c. further delay caused by redesigning and rebidding the
5 project would jeopardize the using agency's mission or
6 result in the loss of a planned funding source.

7 2. To request consideration for negotiations pursuant to this
8 subsection, the using agency, within ten (10) days of the bid
9 opening date, shall make a written request to the Director of the
10 Office of Management and Enterprise Services to enter into
11 negotiations pursuant to paragraph 1 of this subsection. If
12 approved by the Director, the ~~State Construction Administrator~~
13 Department shall consult with the using agency, consultant and low
14 bidder on methods to reduce the project scope or other cost-saving
15 measures.

16 3. If a suitable revised scope and contract amount is agreed
17 upon by the using agency, low bidder and ~~State Construction~~
18 ~~Administrator~~ the SFD, the ~~Division~~ Department may award the public
19 construction contract to the low bidder.

20 4. The ~~State Construction Administrator~~ Department shall
21 negotiate a fair and reasonable fee with the project's consultant,
22 if applicable, to make any necessary revisions to the contract
23 documents. The cost of this additional consulting work shall be
24 paid from the agency's available funds.

1 5. Approval and final award of the contract for the
2 construction negotiated pursuant to this subsection shall occur no
3 later than one hundred twenty (120) days from the opening bid.

4 E. The Department of Real Estate Services is authorized to
5 issue solicitations and award statewide contracts for managed
6 construction service delivery in order to provide efficient and
7 cost-effective procurement solutions for public agencies. Statewide
8 contracts may be either mandatory or nonmandatory as determined by
9 the SFD.

10 F. The Department of Real Estate Services is authorized to
11 provide facility management and operations and maintenance services
12 for any state agency on a cost-recovery basis for any facility
13 operated by a state agency when:

- 14 1. The state agency initiates a request with the SFD; or
15 2. Beginning on or after July 1, 2016, the SFD determines a
16 state agency is performing in the bottom ten percent (10%) of all
17 state agencies with respect to performance measures for facility
18 management established by the Department.

19 G. In addition to the exception from this act hereby provided
20 to the Oklahoma State Regents for Higher Education and its
21 constituent institutions, the State Facilities Director may
22 authorize an exemption to the provisions of this act to any other
23 state agency provided that the recipient of the exemption:
24

1 1. Adopts standards, processes and procedures for planning,
2 budgeting, design, facility management, asset management and asset
3 preservation that are substantially compliant with those as
4 prescribed by the Department;

5 2. Adheres to procurement requirements of Sections 62 through
6 65 of this title and the provisions of this act;

7 3. Reports benchmark, budget and ongoing performance data
8 required by the Department; and

9 4. Participates in annual performance reviews and organized
10 forums for promoting best practices statewide as determined by the
11 SFD.

12 SECTION 12. AMENDATORY 61 O.S. 2011, Section 208.1, as
13 last amended by Section 52 of Enrolled Senate Bill No. 977 of the
14 1st Session of the 54th Oklahoma Legislature, is amended to read as
15 follows:

16 Section 208.1. ~~The Construction and Properties Division of the~~
17 ~~Office of Management and Enterprise Services~~ Department of Real
18 Estate Services may collect a reasonable fee for the purpose of
19 providing or contracting for architectural, engineering, land
20 surveying, planning, real estate and related services to state
21 agencies and political subdivisions of the state, and from persons
22 requesting plans and notification of solicitations issued by the
23 ~~Division~~ Department. ~~The Division~~ Department may collect a
24 reasonable fee for management services. Annual fees to the ~~Division~~

1 Department shall be on a cost-recovery basis and may be calculated
2 as a percentage of annual construction and real estate services in
3 an amount necessary to support ~~Division~~ Department operation as
4 designated in the annual capital plan. All fees collected in
5 accordance with the provisions of this section shall be deposited in
6 the "State Construction Revolving Fund" created in Section 208.2 of
7 this title.

8 SECTION 13. AMENDATORY 61 O.S. 2011, Section 208.2, as
9 last amended by Section 54 of Enrolled Senate Bill No. 977 of the
10 1st Session of the 54th Oklahoma Legislature, is amended to read as
11 follows:

12 Section 208.2. There is hereby created in the State Treasury a
13 revolving fund for the ~~Construction and Properties Division~~
14 Department of Real Estate Services of the Office of Management and
15 Enterprise Services, to be designated the "State Construction
16 Revolving Fund". The fund shall be a continuing fund, not subject
17 to fiscal year limitations, and shall consist of all funds
18 appropriated by the Legislature for projects included in the annual
19 capital plan; funds from nonappropriated sources designated for
20 projects within a capital plan; allocations from an approved annual
21 capital plan designed for assessment and planning services;
22 allocations from an approved annual capital plan for emergency
23 response in accordance with Section 130 of this title; and fees
24 collected by the ~~Division~~ Department in accordance with the

1 provisions of this section or as otherwise provided by law. All
2 monies accruing to the credit of the fund are hereby appropriated
3 and may be budgeted and expended by the ~~Division~~ Department. The
4 fund shall be used to pay expenses resulting from contracts awarded
5 by the ~~Division~~ Department and to defray ~~Division~~ Department
6 operating costs and expenses the ~~Department~~ Office incurs to support
7 ~~Division~~ Department operations. Expenditures from the fund shall be
8 made upon warrants issued by the State Treasurer against claims
9 filed as prescribed by law with the Director of the Office of
10 Management and Enterprise Services for approval and payment.

11 SECTION 14. AMENDATORY 61 O.S. 2011, Section 208.3, is
12 amended to read as follows:

13 Section 208.3. Nothing in the Public ~~Building Construction and~~
14 ~~Planning~~ Facilities Act shall be construed to prevent any state
15 entity exempted from any of the provisions of the Public ~~Building~~
16 ~~Construction and Planning~~ Facilities Act from complying with any
17 provisions of the Public ~~Building Construction and Planning~~
18 Facilities Act.

19 SECTION 15. AMENDATORY 61 O.S. 2011, Section 209, as
20 amended by Section 327, Chapter 304, O.S.L. 2012 (61 O.S. Supp.
21 2012, Section 209), is amended to read as follows:

22 Section 209. The Director of the Office of Management and
23 Enterprise Services shall promulgate rules:

24 1. For state agencies to perform minor construction projects;

1 2. Specifying building codes pursuant to the Oklahoma Uniform
2 Building Code Commission Act for construction projects;

3 3. Permitting state agencies who have the expertise, upon
4 written application to the ~~Construction and Properties Division~~
5 Department of Real Estate Services of the Office of Management and
6 Enterprise Services, to perform any part of the responsibilities of
7 the ~~Division~~ Department pursuant to the provisions of the Public
8 ~~Building Construction and Planning Facilities~~ Act for a specific
9 project;

10 4. Specifying procedures and guidelines for the implementation
11 of shared savings financing by state agencies;

12 5. Specifying energy conservation performance guidelines, for
13 conducting a life cycle cost analysis of alternative architectural
14 and engineering designs and alternative major items of energy-
15 consuming equipment to be retrofitted in existing state-owned or
16 leased structures and for developing energy performance indices to
17 evaluate the efficiency of energy utilization for completing designs
18 in the construction of state-financed and leased structures;

19 6. The time, manner, authentication, and form of making
20 requisitions to the ~~Division~~ Department;

21 7. The form and manner of submission for bids or proposals and
22 the manner of accepting and opening bids or proposals that may
23 include online bids pursuant to the Oklahoma Online Bidding Act;

24

1 8. The manner for a state agency to acquire services for
2 construction projects ~~not exceeding the amount for which competitive~~
3 ~~bids are required pursuant to Section 102 of this title;~~

4 9. Conditions under which any of the rules herein authorized
5 may be waived;

6 10. The form of any document the Director requires;

7 11. Specifying provisions ~~the Division of~~ a state agency shall
8 follow to adhere to acquisition, contract, contract management and
9 other provisions of this title; and

10 12. Specifying the process a state agency shall follow to
11 establish the scope of work, schedule and cost estimate for all
12 publicly bid construction projects involving construction or
13 renovation of buildings. ~~This requirement shall not apply to~~
14 ~~project planning work performed by a state agency which employs an~~
15 ~~architect pursuant to other provisions of this act.~~

16 SECTION 16. AMENDATORY 61 O.S. 2011, Section 210, as
17 amended by Section 328, Chapter 304, O.S.L. 2012 (61 O.S. Supp.
18 2012, Section 210), is amended to read as follows:

19 Section 210. A. Shared savings contracts shall be developed in
20 accordance with a model contract ~~to be developed by the Construction~~
21 ~~and Properties Division~~ Department of Real Estate Services of the
22 Office of Management and Enterprise Services. The model contract
23 shall include:

24 1. The methodology for calculating baseline energy costs;

1 2. A procedure for revising these costs should the state
2 institute additional energy conservation features or structure use
3 change;

4 3. A requirement for a performance bond guaranteeing that the
5 structure will be restored to the original condition in the event of
6 default;

7 4. A provision for early ~~buy-out~~ buyout;

8 5. A clause specifying who will be responsible for maintaining
9 the equipment; and

10 6. A provision allowing the disposal of equipment at the end of
11 the contract.

12 No state agency or department shall substantially alter the
13 provisions described in the model without the permission of the
14 ~~Division~~ Department.

15 B. Contracts subject to this section shall be awarded pursuant
16 to the provisions of subsection A of Section 208 of this title.

17 SECTION 17. AMENDATORY 61 O.S. 2011, Section 213, as
18 amended by Section 331, Chapter 304, O.S.L. 2012 (61 O.S. Supp.
19 2012, Section 213), is amended to read as follows:

20 Section 213. ~~A.~~ The purpose of this section is to promote
21 effective energy and environmental standards for the construction,
22 renovation, and maintenance of ~~public~~ state buildings ~~in this state~~
23 which will improve the capacity of the state to design, build, and
24 operate high-performance buildings thus creating new jobs,

1 contributing to economic growth, and increasing energy independence.

2 To accomplish the objectives of this section, the state shall adopt

3 planning and construction standards for ~~public~~ state buildings that:

4 1. ~~Optimize~~ Conserve energy consumption and optimize the energy
5 performance of ~~public buildings in the state~~ new building
6 construction;

7 2. Increase the demand for environmentally preferable building
8 materials, finishes, and furnishings;

9 3. Reduce the dependence of the state on imported sources of
10 energy through buildings that conserve energy and utilize local and
11 renewable energy sources;

12 4. Protect and restore the natural resources of the state by
13 avoiding development of inappropriate building sites;

14 5. Reduce the burden on municipal water supply and treatment by
15 reducing potable water consumption;

16 6. Reduce waste generation and manage waste through recycling
17 and diversion from landfill disposal;

18 7. Establish life-cycle cost analysis as the appropriate and
19 most efficient analysis to determine the optimal performance level
20 of a building project;

21 8. Ensure that the systems of each building project are
22 designed, installed, and tested to perform according to the design
23 intent and operational needs of the building ~~through third-party~~
24 ~~postconstruction review and verification;~~ and

1 9. Authorize the Office of Management and Enterprise Services
2 to pursue ENERGY STAR designation from the United States
3 Environmental Protection Agency to further demonstrate the energy
4 ~~independence~~ efficiency of a public building project.

5 ~~B. For purposes of this section:~~

6 ~~1. "High-performance certification program" means a public~~
7 ~~building design, construction, and renovation standard which meets~~
8 ~~either the standards of the United States Green Building Council's~~
9 ~~Leadership in Energy and Environmental Design Rating System (LEED)~~
10 ~~or the standards of the Green Building Initiative's Green Globes~~
11 ~~Rating System, and which:~~

- 12 ~~a. is quantifiable, measurable, and verifiable as~~
13 ~~certified by an independent third party,~~
- 14 ~~b. reduces the operating costs of public buildings by~~
15 ~~reducing the consumption of energy, water, and other~~
16 ~~resources,~~
- 17 ~~c. results in the recovery of the increased initial~~
18 ~~capital costs attributable to compliance with the~~
19 ~~program over a time period by reducing long-term~~
20 ~~energy, maintenance, and operating costs,~~
- 21 ~~d. improves the indoor environmental quality of public~~
22 ~~buildings for a healthier work environment,~~

1 e. ~~encourages the use of products harvested, created, or~~
2 ~~mined within Oklahoma, regardless of product~~
3 ~~certification status, and~~

4 f. ~~protects the environment of Oklahoma;~~

5 2. a. ~~"Public building" means a facility that:~~

6 ~~(1) is constructed or renovated in whole or in part~~
7 ~~with state funds or with funds guaranteed or~~
8 ~~insured by a state agency and the state funds~~
9 ~~constitute at least fifty percent (50%) of the~~
10 ~~project cost,~~

11 ~~(2) contains ten thousand (10,000) or more gross~~
12 ~~square feet,~~

13 ~~(3) includes a heating, ventilation, or air~~
14 ~~conditioning system, and~~

15 ~~(4) has not entered the design phase prior to July 1,~~
16 ~~2008.~~

17 b. ~~A public building shall not include:~~

18 ~~(1) a building constructed or renovated with funds~~
19 ~~from a public school in the state as defined in~~
20 ~~Section 1-106 of Title 70 of the Oklahoma~~
21 ~~Statutes, and~~

22 ~~(2) a building constructed or renovated where the~~
23 ~~primary purpose of the building project is for~~
24 ~~the storage of archived documents;~~

1 ~~3. "State agency" means any agency, board, commission, counsel,~~
2 ~~court, office, officer, bureau, institution, unit division, body, or~~
3 ~~house of the executive or judicial branches of state government,~~
4 ~~whether elected or appointed. State agency shall include~~
5 ~~institutions within The Oklahoma State System of Higher Education.~~
6 ~~State agency shall not mean a public school district or technology~~
7 ~~center school district; and~~

8 ~~4. "Substantial renovation" means any renovation of a public~~
9 ~~building the cost of which exceeds fifty percent (50%) of the~~
10 ~~replacement value of the facility.~~

11 ~~C. The Office of Management and Enterprise Services shall adopt~~
12 ~~and update from time to time a high-performance certification~~
13 ~~program.~~

14 ~~D. A state agency designing, constructing, or controlling the~~
15 ~~substantial renovation of a public building shall carry out the~~
16 ~~design, construction, or substantial renovation so as to achieve the~~
17 ~~highest performance certification attainable as certified by an~~
18 ~~independent third party pursuant to the high-performance~~
19 ~~certification program adopted by the Office pursuant to subsection C~~
20 ~~of this section. For purposes of this subsection, a certification~~
21 ~~is attainable if the increased initial costs of achieving the~~
22 ~~certification, including the time value of money, can be recouped~~
23 ~~from decreased operational costs within five (5) years.~~

1 ~~E. If the state agency estimates that the increased initial~~
2 ~~costs of achieving certification will exceed five percent (5%) of~~
3 ~~the total cost of the design, construction, or substantial~~
4 ~~renovation project, the Office of Management and Enterprise Services~~
5 ~~shall specifically examine the estimate before authorizing the~~
6 ~~design, construction or substantial renovation.~~

7 ~~F. If a public building undergoing substantial renovation~~
8 ~~cannot achieve a high-performance certification due to either the~~
9 ~~historical nature of the building or because the increased costs of~~
10 ~~renovating the public building cannot be recouped from decreased~~
11 ~~operational costs within five (5) years, an accredited professional~~
12 ~~shall assert in writing that, as much as possible, the substantial~~
13 ~~renovation was executed in a manner that is consistent with the~~
14 ~~standards in the high-performance certification program adopted by~~
15 ~~the Office of Management and Enterprise Services.~~

16 ~~G. Any facility that is designed or newly constructed with~~
17 ~~state funds with less than five thousand (5,000) gross square feet~~
18 ~~that except for the size would be a public building subject to the~~
19 ~~high-performance certification program, any minor renovation of a~~
20 ~~public building, and any controlled maintenance of a public building~~
21 ~~shall, as much as possible, be executed in a manner that is~~
22 ~~consistent with the standards in the high-performance certification~~
23 ~~program adopted by the Office of Management and Enterprise Services.~~

1 ~~H. A public building may be exempted from complying with this~~
2 ~~section upon a determination by the Office of Management and~~
3 ~~Enterprise Services that extenuating circumstances exist such as to~~
4 ~~preclude compliance with the high-performance certification program.~~

5 ~~I. The Office of Management and Enterprise Services shall~~
6 ~~identify and seek to have any public building which has been~~
7 ~~designed, constructed, or renovated in accordance with the standards~~
8 ~~of the high-performance certification program designated as an~~
9 ~~ENERGY STAR building by the United States Environmental Protection~~
10 ~~Agency.~~

11 ~~J. The Office of Management and Enterprise Services shall~~
12 ~~develop and implement a process to monitor and evaluate the energy~~
13 ~~and environmental benefits associated with designing, constructing,~~
14 ~~or renovating a public building in accordance with the standards of~~
15 ~~the high-performance certification program. The Office shall issue~~
16 ~~an annual report regarding program guidelines, monitoring and~~
17 ~~evaluation procedures, and the energy and environmental benefits~~
18 ~~related to the implementation of the high-performance certification~~
19 ~~program.~~

20 SECTION 18. AMENDATORY 61 O.S. 2011, Section 220, as
21 amended by Section 332, Chapter 304, O.S.L. 2012 (61 O.S. Supp.
22 2012, Section 220), is amended to read as follows:

23 Section 220. A. Any political subdivision or board of
24 education of a school district may use construction management as a

1 project delivery method for the building, altering, repairing,
2 improving, maintaining or demolishing any structure or appurtenance
3 thereto, or any other improvement to real property owned by that
4 political subdivision or school district. For purposes of this
5 section "construction management" shall be defined as set forth in
6 Section 202 of this title and shall include both agency construction
7 management and at-risk construction management.

8 B. A political subdivision or school district shall select a
9 construction manager based on the professional qualifications and
10 technical experience of the construction manager. Selection
11 criteria shall include the experience of the candidate, past
12 performance, and certification of the company or individuals within
13 the company of their knowledge of recognized standards of
14 construction, construction management and project management. Only
15 firms recognized as qualified construction managers by the
16 ~~Construction and Properties Division~~ Department of Real Estate
17 Services of the Office of Management and Enterprise Services
18 pursuant to Section 62 of this title, may be considered for
19 selection as a construction manager by a political subdivision or
20 school district.

21 C. The construction management project delivery method may only
22 be used for public construction contracts when the construction
23 project meets the criteria established by Section 202.1 of this
24 title, except that a political subdivision or school district shall

1 not be required to obtain permission from the Director of the Office
2 of Management and Enterprise Services.

3 D. When bids for a public construction project have been
4 received from general contractors pursuant to the Public Competitive
5 Bidding Act of 1974 and the lowest responsible bid is within the
6 awarding agency's available funding, the awarding agency shall not
7 reject all bids and award the project to a construction manager.

8 E. Construction management contracts, for both agency
9 construction management and at-risk construction management, entered
10 into by a political subdivision or school district pursuant to this
11 section shall not be considered a public construction contract
12 pursuant to Section 102 of Title 61 of the Oklahoma Statutes and
13 shall not be subject to competitive bidding requirements as set
14 forth in the Public Competitive Bidding Act of 1974.

15 F. All construction contracts or subcontracts for work to be
16 performed for any political subdivision or school district pursuant
17 to a construction management project delivery method shall be
18 awarded in accordance with the provisions of the Public Competitive
19 Bidding Act of 1974. If a construction manager at-risk wishes to
20 self-perform portions of the construction work to be performed, the
21 construction manager at-risk may self-perform portions of the work
22 provided the construction manager at-risk competitively bids the
23 work under the same terms and conditions as the other bidders and
24 the construction manager at-risk is the lowest responsible bidder

1 for the construction subcontract. No work shall commence until the
2 school district executes a written contract and the contractor and
3 subcontractors submit bonds and proofs of insurance as required by
4 the appropriate contract.

5 SECTION 19. This act shall become effective November 1, 2013."

6 Passed the Senate the 24th day of April, 2013.

7

8

Presiding Officer of the Senate

9

10 Passed the House of Representatives the ____ day of _____,

11 2013.

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Presiding Officer of the House
of Representatives

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