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Darrell F. Johnson Chief Executive Officer

June 4, 2019

The Honorable Rebecca Bauer-Kahan California State Assembly State Capitol Building, Room 2130 Sacramento, California 95814

Subject: AB 1475 (Bauer-Kahan) - SUPPORT

Dear Assembly Member Bauer-Kahan:

The Orange County Transportation Authority (OCTA) Board of Directors is pleased to support AB 1475, your legislation that allows regional transportation agencies to utilize the Construction Manager/General Contractor (CM/GC) project delivery tool on any transportation project that is not on the state highway system.

The CM/GC project delivery tool can be a valuable alternative contracting method as it allows project sponsors to engage with a construction firm early in the design phase to provide input on scheduling, pricing, phasing, and other construction-related recommendations that help design a more constructible project. Expanding the authority to use CM/GC, as proposed by AB 1475. would allow multimodal regional transportation agencies, including OCTA, to take advantage of the cost and time saving benefits that this tool can offer for projects not on the state highway system, such as local streets and roads improvements, rail fixed-guideways, and bus-rapid transit. The use of CM/GC will provide immediate mobility, safety, and air quality benefits to commuters within Orange County and across California.

A SUPPORT position is consistent with the provision in OCTA's 2019-20 State Legislative Platform to "Support efforts to expand, extend, and preserve new and existing alternative project delivery methods such as design-build, public-private partnership authority, and construction manager/general contractor authority, including expanding mode and funding eligibility, while allowing the appropriate balance of partnership between the state and local agencies."

The Honorable Rebecca Bauer-Kahan June 4, 2019 Page 2

If you or your staff have any questions regarding OCTA's position on AB 1475, please contact Kristin Essner, Manager of State and Federal Relations, at (714) 560-5754 or kessner@octa.net.

Sincerely,

Tim Shaw Chairman

TS:jp

 c: Darrell E. Johnson, Chief Executive Officer Orange County State Legislative Delegation Platinum Advisors, LLC

## AMENDED IN ASSEMBLY APRIL 12, 2019 AMENDED IN ASSEMBLY MARCH 19, 2019

CALIFORNIA LEGISLATURE-2019-20 REGULAR SESSION

## ASSEMBLY BILL

No. 1475

## Introduced by Assembly Member Bauer-Kahan (Coauthor: Senator Glazer)

February 22, 2019

An act to amend Section 6971 of the Public Contract Code, relating to public contracts.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1475, as amended, Bauer-Kahan. Construction Manager/General Contractor method: local transportation authorities: bridge over Bollinger Canyon. transportation projects.

Existing law authorizes regional transportation agencies, as defined, including a local transportation authority created pursuant to the Local Transportation Authority and Improvement Act, to use the Construction Manager/General Contractor (CM/GC) project delivery method, as specified, to design and construct *certain* projects,—including expressways that are not on the state highway system, and specified bridges, railroad grade separations, and a commuter rail project if there is an evaluation of the traditional design-bid-build method of construction and of the CM/GC method and the board of the regional transportation agency adopts the procurement strategy in a public meeting. Existing law defines the term "project" for these purposes purposes to include expressways that are not on the state highway system and specified bridges that are not on the state highway system.

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Existing law requires specified information submitted under the CM/GC method to be verified under oath.

This bill would—authorize the use of the CM/GC method for the construction of a bridge over Bollinger Canyon to extend the Iron Horse Trail. The bill would state the intent of the Legislature that the Contra Costa Transportation Authority may effectuate the construction of a bridge over Bollinger Canyon to extend the Iron Horse Trail using the CM/GC authority. expand the authorization to use the CM/GC project delivery method under these provisions by expanding the definition of the term "project" to include any other transportation project that is not on the state highway system. By expanding the scope of the crime of perjury, the bill would impose a state-mandated local program.

This bill would make legislative findings and declarations as to the necessity of a special statute for the Contra Costa Transportation Authority.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. It is the intent of the Legislature that the Contra
- 2 Costa Transportation Authority may effectuate the construction
- 3 of a bridge over Bollinger Canyon to extend the Iron Horse Trail
- 4 using the Construction Manager/General Contractor authority. The
- 5 geography, topography, and location of the bridge presents many
- 6 potential complex challenges, and the Construction
- 7 Manager/General Contractor method could reduce delays and
- 8 ensure that those challenges are fully understood at the outset of
- 8 ensure that those enalienges are fully understood at the outset (
  9 construction.
- 10 GEG 2
- 10 SEC. 2.
- 11 SECTION 1. Section 6971 of the Public Contract Code is
- 12 amended to read:
- 13 6971. (a) The Legislature finds and declares that the County
- 14 of Riverside should be considered a transportation planning agency
- 15 for the purposes of this chapter in order to effectuate the

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1 construction of the railroad grade separations and bridge 2 rehabilitations and replacements specified in subparagraph (C) of paragraph (4) of subdivision (b) using Construction Manager/General Contractor authority. The passage of the Road 4 5 Repair and Accountability Act of 2017 (Chapter 5 of the Statutes of 2017) provides additional transportation revenue to help close the significant funding shortfalls and address the substantial backlog of infrastructure projects that are in need of repair. The geography, topography, and location of these railroad grade 10 separations and bridge rehabilitations and replacements projects 11 present many potential complex challenges, and the Construction 12 Manager/General Contractor method could reduce delays and ensure that those challenges are fully understood at the outset of 13 14 15

- (b) For purposes of this chapter, the following definitions apply:
- (1) "Construction manager" means a partnership, corporation, or other legal entity that is able to provide appropriately licensed contracting and engineering services as needed pursuant to a Construction Manager/General Contractor method contract.
- (2) "Construction Manager/General Contractor method" means a project delivery method in which a construction manager is procured to provide preconstruction services during the design phase of the project and construction services during the construction phase of the project. The contract for construction services may be entered into at the same time as the contract for preconstruction services, or at a later time. The execution of the design and the construction of the project may be in sequential phases or concurrent phases.
- (3) "Preconstruction services" means advice during the design phase, including, but not limited to, scheduling, pricing, and phasing to assist the regional transportation agency to design a more constructible project.
  - (4) "Project" means any of the following:

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- (A) The construction of an expressway that is not on the state highway system.
- 36 (B) The construction of the following bridges that are not on 37 the state highway system:
- (i) Yerba Buena Island (YBI) West Side Bridges Seismic 38 39 Retrofit Project.

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- 1 (ii) Yankee Jims Road Bridge Project in the County of Placer 2 (Replacement/Rehabilitation).
- 3 (iii) Bridge over Bollinger Canyon to extend the Iron Horse 4 Trail.
  - (C) The construction of railroad grade separations and bridge rehabilitations and replacements in the County of Riverside, as specified in Item 2660-110-0042 of Section 2.00 of the Budget Act of 2016, as amended by Chapter 7 of the Statutes of 2017.
  - (D) The construction, alteration, repair, rehabilitation, or improvement of the Golden Gate Bridge, as defined in Section 27502 of the Streets and Highways Code.
    - (E) A Metrolink commuter rail project.
- *(F) Any transportation project that is not on the state highway* 14 *system.* 
  - (5) "Regional transportation agency" means any of the following:
  - (A) A transportation planning agency described in Section 29532 or 29532.1 of the Government Code.
  - (B) A county transportation commission established under Section 130050, 130050.1, or 130050.2 of the Public Utilities Code.
  - (C) Any other local or regional transportation entity that is designated by statute as a regional transportation agency.
  - (D) A joint exercise of powers authority established pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code, with the consent of a transportation planning agency or a county transportation commission for the jurisdiction in which the transportation project will be developed.
  - (E) A local transportation authority created or designated pursuant to Division 12.5 (commencing with Section 131000) or Division 19 (commencing with Section 180000) of the Public Utilities Code.
- (F) The Santa Clara Valley Transportation Authority established
   pursuant to Part 12 (commencing with Section 100000) of Division
   10 of the Public Utilities Code.
  - (G) The County of Placer.
  - (H) The County of Riverside.
- 39 (I) The Golden Gate Bridge, Highway and Transportation 40 District established pursuant to Chapter 18 (commencing with

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Section 27500) of Part 3 of Division 16 of the Streets and Highways Code.

- (c) Nothing in this section shall extend any other authority to the County of Riverside or the Golden Gate Bridge, Highway and Transportation District, as a transportation planning agency under any other law.
- SEC. 3. The Legislature finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique circumstances regarding bridge transportation construction projects within the jurisdiction of the Contra Costa Transportation Authority.

SEC. 4.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIIIB of the California Constitution.