

AMENDED IN ASSEMBLY APRIL 16, 2013

AMENDED IN ASSEMBLY APRIL 4, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 603

Introduced by Assembly Member Cooley

February 20, 2013

An act to amend Sections 6800, 6801, and 6803 of, to add the heading of Article 1 (commencing with Section 6800) to Chapter 6.5 of Part 1 of Division 2 of, to add Article 2 (commencing with Section 6815) to Chapter 6.5 of Part 1 of Division 2 of, and to repeal Section 6813 of, *add Chapter 6 (commencing with Section 6970) to Part 1 of Division 2 of the Public Contract Code, relating to design-build, and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

AB 603, as amended, Cooley. Public contracts: ~~design-build.~~ *design-build: Capitol Southeast Connector Project.*

Existing law, until January 1, 2014, authorizes certain state and local transportation entities, if authorized by the California Transportation Commission, to use a design-build process for contracts on transportation projects, as specified. Existing law establishes a procedure for submitting bids that includes a requirement that design-build entities provide a statement of qualifications submitted to the transportation entity that is verified under oath, subject to penalty of perjury.

This bill would authorize the Capitol Southeast Connector Joint Powers Authority to utilize design-build procurement for the Southeast Connector Project in Sacramento County, subject to authorization by

the commission. The bill would require a transportation entity, as defined, awarding a contract for a public works project pursuant to these provisions, to reimburse the Department of Industrial Relations for costs of performing prevailing wage monitoring and enforcement of the public works project and would require moneys collected to be deposited into the State Public Works Enforcement Fund, a continuously appropriated fund. By depositing money in a continuously appropriated fund, the bill would make an appropriation.

This bill would make legislative findings and declarations as to the necessity of a special statute for Sacramento County.

Because the bill would extend the use of design-build procurement to the authority, subject to existing procedures, the bill would, by extension, impose the statement of qualifications requirement upon the authority, subject to penalty of perjury, thereby creating a new crime and imposing a state-mandated local program.

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.

~~Existing law provides for a Design-Build Demonstration Program that allows for a local transportation entity to utilize the design-build method of procurement for a specified amount of projects for local and state projects. Existing law defines “local transportation entity” as a designated transportation authority, a consolidated agency, the Santa Clara Valley Transportation Authority, any other local or regional transportation entity that is designated as a regional transportation agency. Existing law subjects both local and state projects to specified procedural requirements to qualify as a design-build project. Existing law repeals these provisions on January 1, 2014.~~

~~This bill would include in the definition of a local transportation entity a joint powers authority. This bill would only apply the specified procedural requirements to the state design-build projects. This bill would delete the repeal date. This bill would also authorize the Capital Southeast Connector Joint Powers Authority to use design-build procurement, as specified. This bill makes findings regarding the need for special legislation.~~

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

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

1 *SECTION 1. Chapter 6.7 (commencing with Section 6970) is*
2 *added to Part 1 of Division 2 of the Public Contract Code, to read:*

3
4 *CHAPTER 6.7. CAPITOL SOUTHEAST CONNECTOR JOINT POWERS*
5 *AUTHORITY DESIGN*

6
7 6970. *For purposes of this chapter, the following definitions*
8 *apply:*

9 (a) *“Best value” means a value determined by objective criteria,*
10 *including, but not limited to, price, features, functions, life cycle*
11 *costs, and other criteria deemed appropriate by the transportation*
12 *entity.*

13 (b) *“Commission” means the California Transportation*
14 *Commission.*

15 (c) *“Design-build” means a procurement process in which both*
16 *the design and construction of a project are procured from a single*
17 *entity.*

18 (d) *“Design-build entity” means a partnership, corporation, or*
19 *other legal entity that is able to provide appropriately licensed*
20 *contracting, architectural, and engineering services as needed*
21 *pursuant to a design-build contract.*

22 (e) *“Design-build team” means the design-build entity itself*
23 *and the individuals and other entities identified by the design-build*
24 *entity as members of its team.*

25 (f) *“Transportation entity” means the Capitol Southeast*
26 *Connector Joint Powers Authority.*

27 6971. *The Capitol Southeast Connector Joint Powers Authority,*
28 *if authorized by the commission, may utilize design-build*
29 *procurement for the Southeast Connector Project in Sacramento*
30 *County.*

31 6972. (a) *Not later than the first day of July that occurs two*
32 *years after a design-build contract is awarded, and each July 1*
33 *thereafter until the project is completed, the transportation entity*
34 *shall submit a report on the progress of the project and compliance*
35 *with this section to the legislative policy committees having*
36 *jurisdiction over transportation matters.*

37 (b) *The requirement of submitting a report imposed under*
38 *subdivision (a) is inoperative on the first day of July four years*

1 after the first report was submitted, pursuant to Section 10231.5
2 of the Government Code.

3 (c) A report to be submitted pursuant to subdivision (a) shall
4 be submitted in compliance with Section 9795 of the Government
5 Code.

6 6973. The commission shall develop guidelines for a standard
7 organizational conflict-of-interest policy, consistent with applicable
8 law, regarding the ability of a person or entity, that performs
9 services for the transportation entity relating to the solicitation of
10 a design-build project, to submit a proposal as a design-build
11 entity, or to join a design-build team. This conflict-of-interest
12 policy shall apply to each transportation entity entering into
13 design-build contracts authorized under this chapter.

14 6974. (a) For contracts for public works projects awarded
15 prior to the effective date of the regulations adopted by the
16 Department of Industrial Relations pursuant to subdivision (g) of
17 Section 1771.5 of the Labor Code, a transportation entity
18 authorized to use the design-build method of procurement shall
19 establish and enforce a labor compliance program containing the
20 requirements outlined in Section 1771.5 of the Labor Code or shall
21 contract with a third party to operate a labor compliance program
22 containing the requirements outlined in Section 1771.5 of the Labor
23 Code. This requirement shall not apply to projects where the
24 transportation entity or design-build entity has entered into any
25 collective bargaining agreement that binds all of the contractors
26 performing work on the projects.

27 (b) For contracts for public works projects awarded on or after
28 the effective date of the regulations adopted by the Department of
29 Industrial Relations pursuant to subdivision (g) of Section 1771.5
30 of the Labor Code, the transportation entity shall reimburse the
31 Department of Industrial Relations for its reasonable and directly
32 related costs of performing prevailing wage monitoring and
33 enforcement on public works projects pursuant to rates established
34 by the Department of Industrial Relations as set forth in subdivision
35 (h) of Section 1771.5 of the Labor Code. All moneys collected
36 pursuant to this subdivision shall be deposited in the State Public
37 Works Enforcement Fund, created by Section 1771.3 of the Labor
38 Code, and shall be used only for enforcement of prevailing wage
39 requirements on those projects.

1 (c) *In lieu of reimbursing the Department of Industrial Relations*
2 *for its reasonable and directly related costs of performing*
3 *monitoring and enforcement on public works projects, the*
4 *transportation entity may elect to continue operating an existing*
5 *previously approved labor compliance program to monitor and*
6 *enforce prevailing wage requirements on the project if it has either*
7 *not contracted with a third party to conduct its labor compliance*
8 *program and requests and receives approval from the department*
9 *to continue its existing program or it enters into a collective*
10 *bargaining agreement that binds all of the contractors performing*
11 *work on the project and that includes a mechanism for resolving*
12 *disputes about the payment of wages.*

13 6975. *The procurement process for the design-build project*
14 *shall progress as follows:*

15 (a) *The transportation entity shall prepare a set of documents*
16 *setting forth the scope and estimated price of the project. The*
17 *documents may include, but need not be limited to, the size, type,*
18 *and desired design character of the project, performance*
19 *specifications covering the quality of materials, equipment,*
20 *workmanship, preliminary plans, and any other information*
21 *deemed necessary to describe adequately the transportation entity's*
22 *needs. The performance specifications and any plans shall be*
23 *prepared by a design professional who is duly licensed and*
24 *registered in California.*

25 (b) *Based on the documents prepared as described in subdivision*
26 *(a), the transportation entity shall prepare a request for proposals*
27 *that invites interested parties to submit competitive sealed*
28 *proposals in the manner prescribed by the transportation entity.*
29 *The request for proposals shall include, but need not be limited*
30 *to, the following elements:*

31 (1) *Identification of the basic scope and needs of the project or*
32 *contract, the estimated cost of the project, the methodology that*
33 *will be used by the transportation entity to evaluate proposals,*
34 *whether the contract will be awarded on the basis of the lowest*
35 *responsible bid or on best value, and any other information deemed*
36 *necessary by the transportation entity to inform interested parties*
37 *of the contracting opportunity.*

38 (2) *Significant factors that the transportation entity reasonably*
39 *expects to consider in evaluating proposals, including, but not*
40 *limited to, cost or price and all nonprice-related factors.*

1 (3) *The relative importance or the weight assigned to each of*
2 *the factors identified in the request for proposals.*

3 (4) *For transportation entities authorized to utilize best value*
4 *as a selection method, the transportation entity reserves the right*
5 *to request proposal revisions and hold discussions and negotiations*
6 *with responsive bidders and shall so specify in the request for*
7 *proposals and shall publish separately or incorporate into the*
8 *request for proposals applicable rules and procedures to be*
9 *observed by the transportation entity to ensure that any discussions*
10 *or negotiations are conducted in good faith.*

11 (c) *Based on the documents prepared under subdivision (a), the*
12 *transportation entity shall prepare and issue a request for*
13 *qualifications in order to prequalify the design-build entities whose*
14 *proposals shall be evaluated for final selection. The request for*
15 *qualifications shall include, but need not be limited to, the*
16 *following elements:*

17 (1) *Identification of the basic scope and needs of the project or*
18 *contract, the expected cost range, the methodology that will be*
19 *used by the transportation entity to evaluate proposals, the*
20 *procedure for final selection of the design-build entity, and any*
21 *other information deemed necessary by the transportation entity*
22 *to inform interested parties of the contracting opportunity.*

23 (2) (A) *Significant factors that the transportation entity*
24 *reasonably expects to consider in evaluating qualifications,*
25 *including technical design and construction expertise, skilled labor*
26 *force availability, and all other nonprice-related factors.*

27 (B) *For purposes of subparagraph (A), skilled labor force*
28 *availability shall be determined by the existence of an agreement*
29 *with a registered apprenticeship program, approved by the*
30 *California Apprenticeship Council, that has graduated at least*
31 *one apprentice in each of the preceding five years. This graduation*
32 *requirement shall not apply to programs providing apprenticeship*
33 *training for any craft that was first deemed by the Department of*
34 *Labor and the Department of Industrial Relations to be an*
35 *apprenticeable craft within the five years prior to the effective date*
36 *of this article.*

37 (3) *A standard form request for statements of qualifications*
38 *prepared by the transportation entity. In preparing the standard*
39 *form, the transportation entity may consult with the construction*
40 *industry, the building trades and surety industry, and other public*

1 agencies interested in using the authorization provided by this
2 chapter. The standard form shall require information including,
3 but not limited to, all of the following:

4 (A) If the design-build entity is a partnership, limited
5 partnership, joint venture, or other association, a listing of all of
6 the partners, general partners, or association members known at
7 the time of statement of qualification submission who will
8 participate in the design-build contract.

9 (B) Evidence that the members of the design-build entity have
10 completed, or demonstrated the experience, competency, capability,
11 and capacity to complete projects of similar size, scope, or
12 complexity, and that proposed key personnel have sufficient
13 experience and training to competently manage and complete the
14 design and construction of the project, and a financial statement
15 that assures the transportation entity that the design-build entity
16 has the capacity to complete the project.

17 (C) The licenses, registration, and credentials required to design
18 and construct the project, including, but not limited to, information
19 on the revocation or suspension of any license, credential, or
20 registration.

21 (D) Evidence that establishes that the design-build entity has
22 the capacity to obtain all required payment and performance
23 bonding,

24 liability insurance, and errors and omissions insurance.

25 (E) Information concerning workers' compensation experience
26 history and a worker safety program.

27 (F) A full disclosure regarding all of the following that are
28 applicable:

29 (i) Any serious or willful violation of Part 1 (commencing with
30 Section 6300) of Division 5 of the Labor Code or the federal
31 Occupational Safety and Health Act of 1970 (Public Law 91-596),
32 settled against any member of the design-build entity.

33 (ii) Any debarment, disqualification, or removal from a federal,
34 state, or local government public works project.

35 (iii) Any instance where the design-build entity, or its owners,
36 officers, or managing employees submitted a bid on a public works
37 project and were found to be nonresponsive or were found by an
38 awarding body not to be a responsible bidder.

1 (iv) Any instance where the design-build entity, or its owners,
2 officers, or managing employees defaulted on a construction
3 contract.

4 (v) Any violations of the Contractors' State License Law, as
5 described in Chapter 9 (commencing with Section 7000) of Division
6 3 of the Business and Professions Code, including alleged
7 violations of federal or state law regarding the payment of wages,
8 benefits, apprenticeship requirements, or personal income tax
9 withholding, or Federal Insurance Contribution Act (FICA)
10 withholding requirements settled against any member of the
11 design-build entity.

12 (vi) Any bankruptcy or receivership of any member of the
13 design-build entity, including, but not limited to, information
14 concerning any work completed by a surety.

15 (vii) Any settled adverse claims, disputes, or lawsuits between
16 the owner of a public works project and any member of the
17 design-build entity during the five years preceding submission of
18 a bid under this article, in which the claim, settlement, or judgment
19 exceeds fifty thousand dollars (\$50,000). Information shall also
20 be provided concerning any work completed by a surety during
21 this five-year period.

22 (G) If the proposed design-build entity is a partnership, limited
23 partnership, joint-venture, or other association, a copy of the
24 organizational documents or agreement committing to form the
25 organization, and a statement that all general partners, joint
26 venture members, or other association members agree to be fully
27 liable for the performance under the design-build contract.

28 (H) An acceptable safety record. A bidder's safety record shall
29 be deemed acceptable if its experience modification rate for the
30 most recent three-year period is an average of 1.00 or less, and
31 its average total recordable injury/illness rate and average lost
32 work rate for the most recent three-year period does not exceed
33 the applicable statistical standards for its business category or if
34 the bidder is a party to an alternative dispute resolution system
35 as provided for in Section 3201.5 of the Labor Code.

36 (4) The information required under this subdivision shall be
37 verified under oath by the design-build entity and its members in
38 the manner in which civil pleadings in civil actions are verified.
39 Information required under this subdivision that is not a public
40 record under the California Public Records Act, as described in

1 Chapter 3.5 (commencing with Section 6250) of Division 7 of Title
2 1 of the Government Code, shall not be open to public inspection.

3 (d) For those projects utilizing low bid as the final selection
4 method, the competitive bidding process shall result in lump-sum
5 bids by the prequalified design-build entities. Awards shall be
6 made to the lowest responsible bidder.

7 (e) For those projects utilizing best value as a selection method,
8 the design-build competition shall progress as follows:

9 (1) Competitive proposals shall be evaluated by using only the
10 criteria and selection procedures specifically identified in the
11 request for proposals. However, the following minimum factors
12 shall be weighted as deemed appropriate by the contracting
13 transportation entity:

14 (A) Price.

15 (B) Technical design and construction expertise.

16 (C) Life-cycle costs over 15 years or more.

17 (2) Pursuant to subdivision (b), the transportation entity may
18 hold discussions or negotiations with responsive bidders using the
19 process articulated in the transportation entity's request for
20 proposals.

21 (3) When the evaluation is complete, the top three responsive
22 bidders shall be ranked sequentially based on a determination of
23 value provided.

24 (4) The award of the contract shall be made to the responsible
25 bidder whose proposal is determined by the transportation entity
26 to have offered the best value to the public.

27 (5) Notwithstanding any other provision of this code, upon
28 issuance of a contract award, the transportation entity shall
29 publicly announce its award, identifying the contractor to whom
30 the award is made, along with a written decision supporting its
31 contract award and stating the basis of the award. The notice of
32 award shall also include the transportation entity's second- and
33 third-ranked design-build entities.

34 (6) The written decision supporting the transportation entity's
35 contract award, described in paragraph (5), and the contract file
36 shall provide sufficient information to satisfy an external audit.

37 6976. (a) The design-build entity shall provide payment and
38 performance bonds for the project in the form and in the amount
39 required by the transportation entity, and issued by a California

1 admitted surety. In no case shall the amount of the payment bond
2 be less than the amount of the performance bond.

3 (b) The design-build contract shall require errors and omissions
4 insurance coverage for the design element of the project.

5 6977. (a) The transportation entity, in each design-build
6 request for proposals, may identify specific types of subcontractors
7 that must be included in the design-build entity statement of
8 qualifications and proposal. All construction subcontractors that
9 are identified in the proposal shall be afforded all the protections
10 of Chapter 4 (commencing with Section 4100) of Part 1 of Division
11 2.

12 (b) In awarding subcontracts not listed in the request for
13 proposals, the design-build entity shall do all of the following:

14 (1) Provide public notice of availability of work to be
15 subcontracted in accordance with the publication requirements
16 applicable to the competitive bidding process of the transportation
17 entity.

18 (2) Provide a fixed date and time on which the subcontracted
19 work will be awarded.

20 (3) Establish reasonable qualification criteria and standards.

21 (4) Provide that the subcontracted construction work shall be
22 awarded either on a best value basis or to the lowest responsible
23 bidder. For construction work awarded on a best value basis, the
24 design-build entity shall evaluate all bids utilizing the factors
25 described in paragraph (1) of subdivision (e) of Section 6824, and
26 shall award the contract to the bidder determined by the
27 design-build entity to have offered the best value.

28 (c) Subcontractors awarded subcontracts under this chapter
29 shall be afforded all the protections of Chapter 4 (commencing
30 with Section 4100) of Part 1 of Division 2.

31 6978. This chapter shall not be construed to affect, expand,
32 alter, or limit any right or remedy otherwise available at law.

33 6979. The provisions of this chapter are severable. If any
34 provision of this chapter or its application is held invalid, that
35 invalidity shall not affect other provisions or applications that can
36 be given effect without the invalid provision or application.

37 SEC. 2. The Legislature finds and declares that a special law
38 is necessary and that a general law cannot be made applicable
39 within the meaning of Section 16 of Article IV of the California
40 Constitution because of the unique need to build and improve a

1 *connecting roadway for the Cities of Elk Grove, Folsom, and*
2 *Rancho Cordova, and El Dorado and Sacramento Counties in a*
3 *cost-effective manner.*

4 *SEC. 3. No reimbursement is required by this act pursuant to*
5 *Section 6 of Article XIII B of the California Constitution because*
6 *the only costs that may be incurred by a local agency or school*
7 *district will be incurred because this act creates a new crime or*
8 *infraction, eliminates a crime or infraction, or changes the penalty*
9 *for a crime or infraction, within the meaning of Section 17556 of*
10 *the Government Code, or changes the definition of a crime within*
11 *the meaning of Section 6 of Article XIII B of the California*
12 *Constitution.*

13 ~~SECTION 1. The heading of Article 1 (commencing with~~
14 ~~Section 6800) is added to Chapter 6.5 of Part 1 of Division 2 of~~
15 ~~the Public Contract Code, to read:~~

16

17 ~~Article 1. General~~

18

19 ~~SEC. 2. Section 6800 of the Public Contract Code is amended~~
20 ~~to read:~~

21 ~~6800. The Legislature hereby finds and declares all of the~~
22 ~~following:~~

23 ~~(a) The design-build method of procurement authorized under~~
24 ~~this chapter should be evaluated for the purposes of exploring~~
25 ~~whether the potential exists for reduced project costs, expedited~~
26 ~~project completion, or design features that are not achievable~~
27 ~~through the traditional design-bid-build method. This chapter shall~~
28 ~~not be deemed to provide a preference for the design-build method~~
29 ~~over other procurement methodologies.~~

30 ~~(b) The Design-Build Demonstration Program allows for a~~
31 ~~careful examination of the benefits and challenges of the~~
32 ~~design-build contracting method on a limited number of projects.~~

33 ~~(c) This article offers specified local agencies the opportunity~~
34 ~~to seek approval by the commission for the utilization of the~~
35 ~~design-build contracting method for up to five projects. According~~
36 ~~to the 2012 annual report to the Legislature submitted by the~~
37 ~~commission, none of the five available local projects have been~~
38 ~~utilized for the design-build procurement method by local entities.~~

39 ~~(d) For the Legislature to fully understand the potential that the~~
40 ~~design-build contracting method presents through this Design-Build~~

1 Demonstration Program, it is appropriate to expand the definition
2 of a local transportation entity.

3 SEC. 3. Section 6801 of the Public Contract Code is amended
4 to read:

5 6801. For purposes of this chapter, the following definitions
6 apply:

7 (a) “Best value” means a value determined by objective criteria,
8 including, but not limited to, price, features, functions, life-cycle
9 costs, and other criteria deemed appropriate by the transportation
10 entity.

11 (b) “Commission” means the California Transportation
12 Commission.

13 (c) “Design-build” means a procurement process in which both
14 the design and construction of a project are procured from a single
15 entity.

16 (d) “Design-build entity” means a partnership, corporation, or
17 other legal entity that is able to provide appropriately licensed
18 contracting, architectural, and engineering services as needed
19 pursuant to a design-build contract.

20 (e) “Design-build team” means the design-build entity itself
21 and the individuals and other entities identified by the design-build
22 entity as members of its team.

23 (f) “Department” means the Department of Transportation as
24 established under Part 5 (commencing with Section 14000) of
25 Division 3 of Title 2 of the Government Code.

26 (g) “Local transportation entity” means a transportation authority
27 designated pursuant to Division 19 (commencing with Section
28 180000) of the Public Utilities Code, a consolidated agency created
29 pursuant to Chapter 3 (commencing with Section 132350) of
30 Division 12.7 of the Public Utilities Code, the Santa Clara Valley
31 Transportation Authority established under Part 12 (commencing
32 with Section 100000) of Division 10 of the Public Utilities Code,
33 any other local or regional transportation entity that is designated
34 by statute as a regional transportation agency, and a joint powers
35 authority formed pursuant to Chapter 5 (commencing with Section
36 6500) of Division 7 of Title 1 of the Government Code, with the
37 consent of a transportation planning agency or a county
38 transportation commission for the jurisdiction in which the
39 transportation project will be developed.

1 ~~(h) “Transportation entity” means the department or a local~~
2 ~~transportation entity.~~

3 ~~SEC. 4. Section 6803 of the Public Contract Code is amended~~
4 ~~to read:~~

5 ~~6803. (a) Only 15 design-build projects shall be authorized~~
6 ~~under this chapter. The projects selected shall vary in size, type,~~
7 ~~and geographical location.~~

8 ~~(b) The commission shall determine whether a transportation~~
9 ~~entity may award a design-build contract based on lowest~~
10 ~~responsible bid or best value. The commission shall balance the~~
11 ~~number of transportation entities that may use the low bid and best~~
12 ~~value selection methods in order to ensure that the number of~~
13 ~~design-build contracts awarded will enable the commission to~~
14 ~~determine the costs and benefits of using each method.~~

15 ~~(c) In order to be eligible for consideration as one of the 10~~
16 ~~design-build projects authorized under subdivision (b) of Section~~
17 ~~6802, the proposed project shall be subject to the existing process~~
18 ~~under the state transportation improvement program (Chapter 2~~
19 ~~(commencing with Section 14520) of Part 5.3 of Division 3 of~~
20 ~~Title 2 of the Government Code), the Highway Safety, Traffic~~
21 ~~Reduction, Air Quality, and Port Security Bond Act of 2006~~
22 ~~(Chapter 12.49 (commencing with Section 8879.20) of Division~~
23 ~~1 of Title 2 of the Government Code), the traffic congestion relief~~
24 ~~program (Chapter 4.5 (commencing with Section 14556) of Part~~
25 ~~5.3 of Division 3 of Title 2 of the Government Code), or the state~~
26 ~~highway operations and protection program established pursuant~~
27 ~~to Section 14526.5 of the Government Code.~~

28 ~~(d) The commission shall establish a peer review committee to~~
29 ~~conduct an evaluation of the 15 projects selected to utilize the~~
30 ~~design-build method of procurement.~~

31 ~~(e) The commission shall develop guidelines for a standard~~
32 ~~organizational conflict-of-interest policy, consistent with applicable~~
33 ~~law, regarding the ability of a person or entity, that performs~~
34 ~~services for the transportation entity relating to the solicitation of~~
35 ~~a design-build project, to submit a proposal as a design-build entity,~~
36 ~~or to join a design-build team. This conflict-of-interest policy shall~~
37 ~~apply to each transportation entity entering into design-build~~
38 ~~contracts authorized under this chapter.~~

39 ~~SEC. 5. Section 6813 of the Public Contract Code is repealed.~~

1 ~~SEC. 6. Article 2 (commencing with Section 6815) is added to~~
2 ~~Chapter 6.5 of Part 1 of Division 2 of the Public Contract Code,~~
3 ~~to read:~~

4
5 Article 2. Capital Southeast Connector Joint Powers Authority

6
7 6815. ~~The Capital Southeast Connector Joint Powers Authority~~
8 ~~may use the design-build method of procurement for transportation~~
9 ~~projects, subject to the requirements for utilizing that method~~
10 ~~pursuant to Article 1 (commencing with Section 6800). However,~~
11 ~~Sections 6802 and 6803 shall not apply to contracts let by the~~
12 ~~Capital Southeast Connector Joint Powers Authority when using~~
13 ~~the design-build method of procurement.~~

14 ~~SEC. 7. The Legislature finds and declares that a special law~~
15 ~~is necessary and that a general law cannot be made applicable~~
16 ~~within the meaning of Section 16 of Article IV of the California~~
17 ~~Constitution because of the unique need to build and improve a~~
18 ~~connecting roadway for the Cities of Elk Grove, Folsom, and~~
19 ~~Rancho Cordova, and El Dorado and Sacramento Counties in a~~
20 ~~cost-effective manner.~~