



DESIGN-BUILD INSTITUTE OF AMERICA | Western Pacific Region

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August 29, 2023

The Honorable Governor Gavin Newsom 1021 O Street, Suite 9000 Sacramento, CA 95814

RE: AB 400 (Rubio) Local agency design-build projects: authorization Enrolled on August 28, 2023 – <u>Request for Signature</u>

Dear Governor Newsom:

On behalf of the California State Association of Counties (CSAC), Design-Build Institute of America Western Pacific Region (DBIA), League of California Cities (CalCities), California Special Districts Association (CSDA), Urban Counties of California (UCC), the Rural County Representatives of California (RCRC), and the California Association of Joint Powers Authorities (CAJPA), we respectfully request your signature on AB 400 by Assemblymember Blanca Rubio, which would allow local governments to continue the utilization of existing state law which allows them to use the Design-Build (DB) procurement process for qualifying public works projects. This bill achieves this by extending the existing January 1, 2025 sunset date to January 1, 2031 on the statutory DB authority.

Existing statute enacts more uniform provisions authorizing most local agencies, counties included, to use the DB procurement process for specified public works projects within Public Contract Codes Sections 22160-22169, which excludes roads but includes buildings, utility improvements associated with buildings, flood control, underground utility improvements, and bridges.

The DB method is an approach to delivering public works projects in which both the design and construction of a project are procured from a single entity. Under design-build, the owner contracts with a single entity to both design and construct a project at a fixed price. Simultaneously, contractors are provided with more flexibility over project design, materials and construction methods. This promotes project design and construction innovation, which can

result in higher quality, as well as cost savings. The approach also reduces the county and local agencies' risk and results in fewer litigation claims for all parties involved.

In the traditional Design-Bid-Build (DBB) method of construction procurement the design and contracting phases are sequential, with no direct collaboration process. Allowing alternative delivery methods for construction projects gives local governments the ability to make the most cost-effective and advantageous decision for a particular project.

The DB method streamlines project delivery through a single contract between the owner and the design-build team. Thus, using the DB method for more complex projects facilitates the completion and delivery of public works construction projects efficiently and cost effectively. AB 400 would allow local governments to continue using this authority until January 1, 2031.

It is for these reasons that CSAC, DBIA, CalCities, CSDA, UCC, RCRC and CAJPA respectfully request your signature on AB 400. Should you have any questions or concerns regarding our position, please do not hesitate to contact Mark Neuburger (CSAC) at <u>mneuburger@counties.org</u>, Beau Biller (DBIA) at <u>bcb@platinumadvisors.com</u>, Damon Conklin (CalCities) at <u>dconklin@calcities.org</u>, Aaron Avery (CSDA) at <u>aarona@csda.net</u>, Jean Hurst (UCC) at <u>ikh@hbeadvocacy.com</u>, Sidd Nag (RCRC) at <u>snag@rcrcnet.org</u> or Faith Borges (CAJPA) at <u>fborges@caladvocates.com</u>.

Respectfully,

Mark Menleyer

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The Honorable Assemblymember Blanca Rubio, Author CC: Ronda Paschal, Deputy Legislative Secretary, Office of the Governor