

SS SCS HCS HB 359 -- DESIGN-BUILD HIGHWAY PROJECT CONTRACTS

This bill allows the Highways and Transportation Commission to enter into more than three design-build highway project contracts in a fiscal year, but the total number of contracts cannot exceed 2% of the total number of all state highway system projects listed in the commission's approved statewide transportation improvement project for that fiscal year. The bill specifically allows the commission to enter into design-build highway project contracts for the design, construction, reconstruction, or improvement of Missouri Route 364 in the counties of St. Charles and St. Louis, the intersection of State Highway 169 and 96th Street in Kansas City, and State Highway 92 from its intersection with State Highway 169 east to its intersection with State Route E in Clay County. Authority for these projects will not expire when the commission's authority to enter into design-build highway project contracts expires on July 1, 2012.

The design-builder is required to provide to the commission his or her bid, performance and payment bonds, or letters of credit on forms as the commission determines to be adequate. The performance bond or bonds for the construction period specified must be equal to a reasonable estimate of the total cost of the construction work unless the commission determines in writing that the amount is impractical, in which case the commission must set the amount at the largest amount reasonably available, but not less than \$250 million. Currently, the bond or bonds must be in an aggregate amount of \$200 million or 25% of a reasonable estimate of the cost of construction work, whichever is lower, unless the commission allows other security. Upon award of the design-build highway project contract, the sum of the performance bond and any required additional security will be stated and a matter of public record.

The commission must negotiate and reach agreements including clearance, safety, insurance, and indemnification provisions with affected railroads for any project constructed but are not required to include provisions on right-of-way acquisitions.

The bill contains an emergency clause.