

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1166

2001 HOUSE TRANSPORTATION

HB 1166

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1166

House Transportation Committee

☐ Conference Committee

Hearing Date January 12, 2001

Tape Number	Side A	Side B	Meter #
1	X		56
Committee Clerk Signature <i>Louise B. Fink</i>			

Minutes: Rep. Welsz - Chairman opened the hearing on HB 1166; A Bill for an act to amend and reenact section 48-01.1-04 of the North Dakota Century Code, relating to the department of transportation procuring plans and specifications for buildings to be used for the storage and housing of road materials, machinery, equipment, and tools.

Tom D. Freier (56) Deputy Director of the Department of Transportation spoke for the Department at whose request HB 1166 was introduced. See a copy of his written testimony attached.

Rep. Thoreson: I am not really clear as to what type of pole buildings you are talking about.

Tom Freier: The buildings are usually steel frame construction. Metal type buildings like you would see out on the farms. They are insulated. They are not in the shape of a quonset but they are similar to that. In the newer buildings we are now trying to get the vehicles in from two sides. They are now of such a size that we no longer have to drop the plows off to get the vehicle in.

Rep. Carlson: (641) I am in agreement with what you are trying to do here. It is my understanding that most of these buildings are pre-engineered and designed and stamped as you buy them. It appears to me to be real redundant to hire someone to hire an engineer or an architect to stamp it when the building is already the responsibility of the company selling them --

for snow and wind. Am I missing something there, are you doing odd designs that would not be covered by the companies that normally package these things by sizes and pre-engineered.

Tom Freier: No, you stated the case better than I did. They usually have the designs we need.

However, if you hire an architect, their drawings may be slightly different and then the companies, then vendors may have to have extra dollars to put together a design for that building. If the span is off a little bit then they may have to add additional spans or something like that and that costs us extra.

Rep. Thereson: (782) These are used primarily for storage aren't they? Or, are some of them finished out inside and for warm weather shop use?

Tom Freier: They are insulated. We do keep a temperature in there at about 45 degrees so that our equipment is sure to start in the winter time. We do a certain amount of work in these buildings. We do a little bit of welding, the kind of welding we wouldn't take to a welder or something that has to be done on the spur of the moment. In the old buildings it was one big building that had corner in that was an office. That was not quite so good as it should be because of fumes and different things like that. In the newer buildings we are boxing off the office little better but basically they are for storage. There are other buildings we build which don't come under this dollar amount.

Rep. Thorpe: (910) Heavy duty wiring, plumbing and things like that do you have people in the Department capable of handling that, or licensed or how is that handled?

Tom Freier:(940) We wouldn't be doing that that would be a part of the contract--- although I will say that in certain cases the section crew members themselves do just a few things if we can save a couple of dollars like sheet rock work and put partitions in place and anything we can do will do -- but we wouldn't be involved in wiring and the like.

Rep. Ruby: (980) I am assuming that when an architect designs the building he takes on the responsibility for design flaws. With these predesigned buildings does the company that sell these building take on that responsibility?

Tom Freier: (1016) That is exactly what happens and beyond that our specifications would have a lot to do with that.

Rep. Mahoney: Your bill has a two part thing here, one where you can have the in-house engineer and the other part where you can have the vendor. These are some fairly substantial buildings when there is \$100, 000 involved --- wouldn't you want your engineers involved either way?

Tom Freier:Our engineers or people like Mr. Horner(the Department Maintenance Engineer) here are definitely involved in the prelliminary looking at the specs and coming up with the specs and then working with the vendor to approve that building to meet our specs--- so our engineers would be involved. What we are saying is that in different locations we wouldn't necessarily need a different building at each location. So when we go to a vendor, he will tell us

whether that building fits our need in that location. If that is the case the hopefully we have saved ourselves the architects cost of 6% at that location.

Rep. Mahoney: If I may continue, you said this building has been pre-approved. Then the question is pre-approved by who?

Tom Freier: If we go to a vendor and he has 10 different types of buildings and does he have one of those building which meet our specs. If that is the case that one does, then we have accomplished our purpose.

Rep. Mahoney: (1283) To meet your specs, then you are talking about your people -- your engineers, I but I was wondering about the wording at the last there. Does the vendor make the selection, wouldn't you want your engineers involved?

Jerry Horner: We would put the specs together-- this is the size building we need -- these are the specs, these are the things we need, etc. and we give that to the vendor or any number of vendors who would be bidding of it will give a dollar amount. Then our people would then review their price to us. They have already done all the design and architectural work on one of those ten types of buildings. We wouldn't have to duplicate that work.

Rep. Pollert - Vice Chairman: (1393) So basically someone at the DOT is going to write off on the as far as the approval is concerned. That is before anything goes ahead. Right?

Jerry Horner: Right. One thing I like to add here is that we make a list of the things like sizes and dimensions and we give that to the people in this business and I have compiled a list like of about 10 vendors in the state. This is for pre-designed design build concepts and when we do this we ask that vendor to tell us what design elements are critical to this building -- such as the footings.

the concrete, etc. -- we asked that those be furnished us with a registered professional engineers stamp on it. We feel this adequate and this the general way this business is done.

Rep. Schmidt: Am I right that if this bill was in effect this last biennium the state would have saved \$35,000?

Tom Freier: That is correct. I might add that as we went out to the vendors in the last biennium or in the last go around they did come back to us, a number of vendors did tell us, that if the architectural drawings hadn't been so specific, we would have had buildings that would have worked for you. But given that we have to conform to the architects design and since we don't so we are going to have to go out and design a specific building for you. That sort of takes them out of the competitive bid.

Rep. Carlson: Just a comment this makes so much sense that we shouldn't have to belabor this and having had some experience pre-engineered steel buildings I can tell you that you that the last thing you need is some architect. They are providing all the engineering facts, the footings, specs and all the design features you need and I am telling you that this will save the state some money.

Rep. Thoreson: (1714) On line 10 could you tell me what that means - the specifications of a licensed architect or registered professional engineer ?

Tom Freier: Presently, as it would be our plans have to come from one of those.

Rep. Thoreson: Then on line 17 it says, the first part of that says a registered professional engineer. Now are the people that you employee registered professional engineers?

Tom Freier: Yes they are.

Rep. Thoreson: So isn't line 17 the same as line 10?

Tom Freier: (1718) What we are intending here is the registered engineer would be internal to the DOT.

Rep. Thoreson: But line 10 doesn't exclude people employed by the DOT.

Tom Freier: I guess I don't have a good answer for you.

Jerry Horner: To respond to you on that. Yes we have the engineers in the department that can do that internally. But don't want to set aside a special function for this or an activity in that area. We want to be up front with the architect world and we want to be up front with the public and that this is what we intend to pursue for these types of buildings.

Rep. Jensen: (2073) I understand what you are asking for in this bill but am wondering about, doesn't this give carte blanche to your department to avoid using an architect on larger projects unless there is some provision somewhere that I am not aware of --how do we make sure that what we are giving you permission to do is limited to metal buildings?

Tom Freier: I think it delineates that in the bill. If we were going to build a district office building or anything like that this would not apply.

Rep. Jensen: Could you show me where it says that in the bill?

Tom Freier: In the title. For housing road machinery and materials.

Rep. Jensen: That makes sense.

Rep. Mahoney: I guess I don't disagree that these contractors have good products but I would assume that if you are going over \$100,000 you are going to have an engineer involved. With the second part the added language says " or procured by the building supplier". Do you really

feel that that is needed because any building procure that is over \$100,000 I assume you are going to have your engineering department somewhat involved aren't you as far as what you need for specs and plans? I guess that is my only real concern with this bill.

Jerr Hoerner: (2269) That is not just the way we operate, whether this would be at the section level, or district or department we would always have engineers involved whether it is for salt storage or equipment.

Rep. Mahoney: I would assume that you always would have staff engineers involved but as a lawyer we are supposed to be pessimistic and look at the worst case scenario--- it is possible under this new language you wouldn't have to use your engineering staff at all.

Rep. Hawken: Would not your engineers write the specs initially so that your engineers are involved from the get-go so they would be involved..

Jerry Horner: Yes, as we stated before.

Rep. Thoreson: (2460) On that same issue , line 10 and line 17 say basically the same thing but line 17 has the added language " or procured by the building supplier" yet they appear to be doing the same thing --- one is for the department of transportation and one for that agriculture experiment station. Is there something different between those two sentences?

Tom Freier: Probably not. If there is a difference it may be that we have the engineers.

Bonnie Larson Stalger (2609), Executive Director of the American Institute of Architects North Dakota Chapter (AIA North Dakota) - Lobbyist No. 215 - appeared in opposition to HB 1166.
See her written testimony copy attached.

Page 8
House Transportation Committee
Bill/Resolution Number HB ~~446~~ 1166
Hearing Date January 12, 2001

Rep. Mahoney: Mr. Chairman I was just going to mention that 24-03- 14 is a real short sentence in case any body is interested. It states basically the DOT Director has the authority to buy land and materials for the storage of road equipment and materials.

Rep. Weisz - Chairman Ms. Staiger, your main concern is public occupancy buildings, isn't that right?

Ms. Staiger: I am not a lawyer, but I share with Mr. Mahoney his concern with the wording of this bill.

Rep. Jensen: If I understand you correctly you are concerned about the erosion of the \$100,000 amount. If there was a dollar amount written into this bill to \$175,000 Or \$150,000 dollars would that satisfy some of your concerns.

Ms. Staiger: I think that would go a long ways.

Rep. Weisz - Chairman (3162) There being further testimony, the hearing for testimony was closed.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1166 B

House Transportation Committee

☐ Conference Committee

Hearing Date January 19, 2001

Tape Number	Side A	Side B	Meter #
1		X	488
Committee Clerk Signature <i>Louise L. Zink</i>			

Minutes: Rep. Weisz - Chairman opened the discussion on HB 1166.

Rep. Mahoney: I move we 'red line' line 17 the words 'if the engineer is' and on line 18 place a 'period' after transportation and red line 'or procured by the building supplier'.

Rep. Hawken: Moved to approve the amendments as stated by Rep. Mahoney changing lines 17 and 18.

Rep. Carlson: Seconded the motion.

Motion carried on voice vote.

Rep. Carlson: Moved a 'Do Pass as amended' for HB 1166.

Rep. Hawken: Moved to second the motion.

Roll call vote: 12 ayes 0 nays 2 absent

Rep. Schmidt was assigned to carry HB 1166 on the floor.

FISCAL NOTE

Requested by Legislative Council
01/23/2001

Bill/Resolution No.:

Amendment to: HB 1166

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures				(\$60,000)		(\$60,000)
Appropriations						

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

The amendment to this bill does not change the fiscal impact as shown in the original fiscal note dated 12/29/2000.

Passage of this legislation will allow the department to procure equipment and material storage buildings using professional DOT staff engineers rather than requiring special design effort by a qualified architect. Buildings of this type are normally procured by governmental subdivision, and by private parties, using the design build concept. The engineering required for the construction of these building is a routine part of the total product furnished by the vendor who sells the materials. Buildings of the type and size normally run in value from \$200,000 to \$500,000. By eliminating the requirement for design plans by a qualified architect, the department should realize a saving of 6% of the budget designated for the replacement or constructions of building of this type.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Estimated saving of approximately 6% of the projected budget for material and equipment storage

buildings. See #2 above.

- C. Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name:	Jerry Horner	Agency:	NDDOT
Phone Number:	328-4403	Date Prepared:	01/23/2001

FISCAL NOTE
 Requested by Legislative Council
 12/26/2000

Bill/Resolution No.: HB 1166

Amendment to:

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures				(\$60,000)		(\$60,000)
Appropriations						

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

Passage of this legislation will allow the department to procure equipment and material storage buildings using a design build concept rather than requiring special design effort by a qualified architect. Buildings of this type are normally procured by governmental subdivision, and by private parties, using the design build concept. The engineering required for the construction of these building is a routine part of the total product furnished by the vendor who sells the materials. Buildings of the type and size normally run in value from \$200,000 to \$500,000. By eliminating the requirement for design plans by a qualified architect, the department should realize a saving of 6% of the budget designated for the replacement or constructions of building of this type.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Estimated saving of approximately 6% of the projected budget for material and equipment storage buildings. See #2 above.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on*

the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

Name:	Jerry Horner	Agency:	NDDOT
Phone Number:	328-4443	Date Prepared:	12/29/2000

18246.0101
Title.0200

Adopted by the Transportation Committee
January 19, 2001

VR
1/19/01

House Amendments to HB 1166

Htrn

1-22-01

Page 1, line 17, remove "if the engineer is"

Page 1, line 18, remove "or procured by the building supplier"

Renumber accordingly

Date: 01/19/01
Roll Call Vote #:

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1166 B

House Transportation Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass as Amended

Motion Made By Rep. Carlson Seconded By Rep. Hawken

Representatives	Yes	No	Representatives	Yes	No
Robin Weisz - Chairman	✓		Howard Grumbo	✓	
Chet Pollert - Vice Chairman	✓		John Mahoney	✓	
Al Carlson	✓		Arlo E. Schmidt	✓	
Mark A. Dosch	✓		Elwood Thorpe	✓	
Kathy Hawken	✓				
Roxanne Jensen	✓				
RaeAnn G. Kelsch	✓				
Clara Sue Price	A				
Dan Ruby	A				
Laurel Thoreson	✓				

Total (Yes) 12 No 0

Absent 2

Floor Assignment Rep. Schmidt

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1166, as amended, Transportation Committee (Rep. Weisz, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). placed on the Sixth order on the calendar.

Page 1, line 17, remove "if the engineer is"

Page 1, line 18, remove "or procured by the building supplier"

Renumber accordingly

2001 SENATE TRANSPORTATION

HB 1166

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1166

Senate Transportation Committee

☐ Conference Committee

Hearing Date 3-2-01

Tape Number	Side A	Side B	Meter #
1	x		19.3-42.1
Committee Clerk Signature <i>Suzette Schaefer</i>			

Minutes: **HB 1166** relates to the department of transportation procuring plans and specifications for buildings to be used for the storage and housing of road materials, machinery, equipment, and tools.

Tom Freler: (NDDOT Deputy Director; Supports) See attached testimony and proposed amendments.

Senator Espegard: When you build, you bid it out. So why do you need an engineer, why duplicate it? Why don't we put it into the bid?

Tom Freler: That's what we are looking to do with this bill.

Senator Mutch: Do you have a number of buildings that you are planning to build?

Tom Freler: Yes we do. Currently our budget is \$800,000. So this means that we will get three new buildings. The remaining portion goes to smaller buildings like the salt storage buildings.

Senator O'Connell: Shouldn't this bill have an emergency clause if it is starting before August?

Page 2
Senate Transportation Committee
Bill/Resolution Number HB 1166
Hearing Date 3-2-01

Todd Kranda: (NDCEC; Lobbyist; Supports) States that he is in support of proposed bill and proposed amendment.

Gary Armon: (Consulting Engineers; Armon Engineering; Supports) States that he is support of proposed bill and amendment. Basically consulting engineers are in support.

Bonnie Larson Stalger: (Executive Director of the American Institute of Architects ND Chapter; Neutral) See attached testimony.

Hearing closed.

Senator Trenbeath motions to move the amendment with emergency clause. Senator Mutch seconds. Roll call taken. 6-0-0.

Senator Trenbeath motions to Do Pass as amended. Senator Espegard seconds. Roll call taken. 6-0-0. Floor carrier is Senator O'Connell.

Re-refer to Appropriations.

3. 2

Date: _____
Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1166

Senate Transportation Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number 18746, 0201

Action Taken move amendment w/ emergency clause

Motion Made By Trenbeath Seconded By Mutch

Senators	Yes	No	Senators	Yes	No
Senator Stenejem, Chairman	X		Senator O'Connell	X	
Senator Trenbeath, Vice-Chair	X		Senator Bercier	X	
Senator Mutch	X				
Senator Espgaard	X				

Total (Yes) 6 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 7-17
Roll Call Vote #: 2

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1166

Senate Transportation Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number 18746.0201

Action Taken Do Pass as Amended

Motion Made By Trenbeath Seconded By Espgaard

Senators	Yes	No	Senators	Yes	No
Senator Stenehjem, Chairman	X		Senator O'Connell	X	
Senator Trenbeath, Vice-Chair	X		Senator Bercler	X	
Senator Mutch	X				
Senator Espgaard	X				

Total (Yes) 6 No 0

Absent 0

Floor Assignment O'Connell

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1166, as engrossed: Transportation Committee (Sen. Stenehjem, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the Appropriations Committee (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1166 was placed on the Sixth order on the calendar.

Page 1, line 3, after "tools" insert "; and to declare an emergency"

Page 1, line 16, replace "as provided in section 24-03-14" with "for the storage and housing of road materials and road machinery, equipment, and tools"

Page 1, after line 18, insert:

"SECTION 2. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

2001 TESTIMONY

HB 1166

HOUSE APPROPRIATIONS COMMITTEE

January 12, 2001

North Dakota Department of Transportation
Tom D. Freler, Deputy Director

HB 1166

The purpose of this bill is to enable the department to provide for the procurement of plans, specifications, and drawings for certain department buildings.

In 1995 the Legislature enacted N.D.C.C. 48-01.1-04 mandating that all public buildings with an initial cost of \$50,000 or more be designed by a licensed architect or registered professional engineer. In 1997, the minimum was increased to \$100,000.

The department has a number of highway maintenance equipment and materials storage facilities throughout the state. These facilities include section maintenance buildings at 66 rural sites across the state, as well as equipment and material storage buildings at the department's eight district headquarters in the larger cities.

In general, these facilities are similar to buildings erected by farmers and small businesses throughout the state. The new replacement value of these facilities ranges from \$150,000 to \$400,000.

Historically, the department has procured these buildings through the "design build" process. We determine general specifications as to size and type and then request bids for construction. The manufacturers of this type of facility to provide for engineered and stamped plans for several items (major structural components and specifications on the footings and concrete slab) by a registered professional engineer.

The requirement in N.D.C.C. 48.01.1-04 for the department to procure a licensed architect or registered professional engineer results in added cost and a duplication of engineering effort. The requirement for agency-furnished plans and specifications forces us to spend an additional 6 percent for a duplication of engineering services.

During current biennium, the department built four new section storage buildings: at Stanley, Napoleon, Michigan, and Langdon, North Dakota. The cost of the facilities varies from \$194,000 for the two 60' x 80' to \$238,000 for the remaining two 60' x 100' buildings. We procured the service of a licensed architect at a cost of \$35,000, not reflected above.

We are not aware of any problem with the construction or operation of these facilities. To eliminate duplication of services and save money, we ask the committee for favorable consideration of HB 1166.

AIA North Dakota

A Chapter of The American Institute of Architects



Testimony in Opposition to HB 1166 House Transportation Committee 12 January 2001

Chairman Weisz and members of the Committee:

My name is Bonnie Larson Staiger (Lobbyist ID # 215), Executive Director of the American Institute of Architects North Dakota Chapter (AIA North Dakota). Our organization is opposed to this legislation on several levels.

Last legislative session, several groups including the AGC, the AIA, Contractors, Facilities Management, and others joined in coalition to increase the cost threshold for the design, plans, and specifications for public buildings and state agencies.

With this bill, the Department of Transportation appears to carve out its own exemption from that threshold as well as eliminate the professional services of taxpaying engineers and architects in the private sector. Just as importantly this bill circumvents the importance of protecting the public safety and blurs the lines of professional expertise.

As with many bills that surface in the first days of the session, we have not had sufficient time to look at this more closely. We would like to identify the provisions of Section 24-03-14 to verify that this bill limits the proposed building types to material and equipment storage ONLY, with NO possibility of life safety endangerment. With regard to buildings for public occupancy, engineers do not have the expertise to deal with building code occupancy requirements, exiting, accessibility, health safety and welfare, etc.

Even with that assurance and if this bill becomes statute, we are still suspicious that the department will return in future to chip away at the provisions to give them greater latitude with buildings are "occupied public spaces."

Mr. Chairman, I would be happy to respond to any questions.

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AIA North Dakota is the professional association representing architects and interns throughout the state. In addition, Allied members may include photographers, contractors, building material suppliers, landscape architects, and interior designers. Based in Bismarck, the organization strives to promote design excellence in the built environment.

**SENATE TRANSPORTATION COMMITTEE
MARCH 1, 2001**

**North Dakota Department of Transportation
Tom Freler, Deputy Director**

HB 1166

In 1995, the Legislature enacted N.D.C.C. 48-01.1-04, mandating that all public buildings with an initial cost of \$50,000 or more be designed by a licensed architect or registered professional engineer. In 1997, the minimum was increased to \$100,000. The construction cost for NDDOT's storage buildings was less than the maximum and NDDOT did not testify.

The department has a number of highway maintenance equipment and materials storage facilities throughout the state. These facilities include section maintenance buildings at 66 rural sites across the state, as well as equipment and material storage buildings at the department's eight district headquarters in the larger cities.

In general, these facilities are similar to storage buildings, machine sheds, or quonsets erected by farmers and small businesses throughout the state. The new replacement value of these facilities ranges from \$150,000 to \$400,000.

Historically, the department has procured these buildings through the "design-build" process. We determine general specifications as to size and type and then request bids for construction. The manufacturers of this type of facility provide for engineered and stamped plans for several items (major structural components and specifications on the footings and concrete slab) by a registered professional engineer.

The requirement in N.D.C.C. 48-01-1 for the department to procure a licensed architect or registered professional engineer results in added cost and a duplication of engineering effort. We normally program about 1.0 million biennially in updates to our storage buildings. The requirement for agency-furnished plans and specifications forces us to spend an additional 6 percent, or \$60,000 per biennium, for a duplication of engineering services.

During the current biennium, the department built four new section storage buildings: at Stanley, Napoleon, Michigan, and Langdon. The cost of the facilities varies from \$194,000 for the 60' x 80' buildings to \$238,000 for the 60' x 120' buildings. We procured the service of a licensed architect at a cost of \$35,000, not reflected above.

We're not aware of any problem with the construction or operation of these facilities. To eliminate duplication of services and save money, we ask the committee for favorable consideration of HB 1166.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1166

p. 1, line 16 Remove "as provided in section 24-03-14"

p. 1, line 16 After "transportation" insert "for the storage and housing of road materials, road machinery, equipment and tools,"

Renumber accordingly

AIA North Dakota

A Chapter of The American Institute of Architects



Testimony in ~~Opposition~~ ^{Neutral (S.T. 1166)} to HB 1166
Senate Transportation Committee
2 March 2001

Chairman Stenehjem and members of the Committee:

My name is Bonnie Larson Staiger (Lobbyist ID # 215), Executive Director of the American Institute of Architects North Dakota Chapter (AIA North Dakota). It is our hope that the Department of Transportation will offer or agree to an amendment that would make the language of this bill in concert with the Fiscal Note. That is to "procure equipment and material storage buildings" only. If the DOT does not support strict adherence to the language of the Fiscal Note, our organization would be opposed to this legislation on several levels.

Last legislative session, several groups including the AGC, the AIA, Contractors, Facilities Management, and others joined in coalition to increase the cost threshold for the design, plans, and specifications for public buildings and state agencies.

With this bill, the Department of Transportation appears to carve out its own exemption from that threshold as well as eliminate the professional services of taxpaying engineers and architects in the private sector. Efforts to prevent privatization are not new and result from the questionable assumption that government's reliance on the private marketplace has resulted in increased costs. This is simply not true. Architect's fees are not just added on to the cost of a project, they can save money in many ways through site selection, energy efficiencies, supervision of bids, specifications and construction.

Just as importantly this bill circumvents the importance of protecting the public safety and blurs the lines of professional expertise. In the example of buildings for public occupancy, engineers do not have the expertise to deal with building code occupancy requirements, exiting, accessibility, health safety and welfare, etc.

If this bill becomes statute using the language of the Engrossed House Bill, we are still suspicious that the department will return in future to chip away at the provisions to give them greater latitude with buildings that are "occupied public spaces." The Department of Transportation has suggested that they wish to eliminate any duplication of services. This is misleading because the services are being provided and paid for—either through inter-department personnel or through privatized contract services. One method supports our

tax base while the other does not. North Dakota is a state with a dwindling tax base and the mind-set behind this bill is a classic example of why that is happening.

Mr. Chairman, I would be happy to respond to any questions.

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AIA North Dakota is the professional association representing architects and interns throughout the state. In addition, Allied members may include photographers, contractors, building material suppliers, landscape architects, and interior designers. Based in Bismarck, the organization strives to promote design excellence in the built environment.