

Advisory Commission on Intergovernmental Relations

Testimony Relating to Public Improvements: Project Thresholds and Professional Design Services

**Provided by Bonnie Staiger, Hon. AIA
Chairman, Construction Leaders Coalition**

Chairman Potter and Members of the Committee

My name is Bonnie Staiger, and I appear in my role as Chairman of the Construction Leaders Coalition (CLC). My testimony also represents each of the coalition's members.

The CLC is a private sector organization comprised of the following member organizations in the design and construction industry:

- ACEC/ND (American Council of Engineering Companies)
- AIA North Dakota (American Institute of Architects)
- Associated General Contractors of ND
- National Electrical Contractors Association
- ND Builders Association
- ND Plumbing, Heating, and Mechanical Contractors Association

The CLC formed at the end of 2005 legislative session with the passage of HB 1260--a mandatory interim study -- initiated by one of our member organizations -- to look at procurement and delivery options outlined in Chapter 48 of the NDCC. That study encompassed 3 project delivery methods: 1) design/bid/build, 2) construction management, 3) and design build. In an effort to address and solve problems caused by industry fragmentation, lack of clear communication and a few questionable practices --all of these organizations listed here (and are represented in the room today) agreed to discuss these issues which had plagued project delivery for a decade.

When the interim IBL committee received the study in the summer of 2005, we came to them offering to be a resource, partner with them, and maybe if we were really successful, help them craft a bill draft that collectively we could support and would be in the best interest of all of North Dakota.

That interim committee, chaired at the time by Sen. Karen Krebsbach, was most relieved by our offer and as it turns out we did come up with a bill. With the help of John Bjornson from Legislative Council who staffed that interim group, the committee accepted our draft in what was to become the committee's bill -- HB 1033 in the 2007 session.

For those of you unfamiliar with the history, this undertaking represented an unprecedented level of collaboration on issues which had pitted many of us against one another. This was no small feat because these industry groups had to learn how to be in the same room together, then to work together, compromise, and turn out a work product that was acceptable by all parties. Representatives came to the table in good-faith-- knowing that each would also have to compromise and there were tense times. But out of the compromises came respect and genuine appreciation.

We are proud of our recent history and collaborative efforts which resulted in a bill that was overwhelmingly passed by the 2007 session. It better defined and updated 2 of the 3 procurement methods outlined in the study. The third, design build, is a new method, not used in ND public procurement and is taking us longer to complete because this is uncharted territory and we want to do it right. Currently we have an active design build sub-committee with a timeline to involve additional industry, state/political subdivisions, and legislative input.

So for the past 4 years, we have met monthly and we have had various subcommittees at work. In addition, many other groups representing owners and agencies such as the Association of Counties, Board of Higher Ed, Fargo Public Schools, Department of Transportation, Office of Facilities Management, and League of Cities have been invited to offer input at various points along the way.

Our charter has been—and will be going forward--to

- Bring together diverse membership and opinions
- Find common ground
- Create a culture of collaboration and trust, and
- Report frequently to the appropriate interim legislative committee

Looking ahead to this interim and the study outlined in SB 2401—the CLC sees these issues closely related to our ongoing work. As a result, we have proactively initiated sub-committees to work on innovative concepts for the various thresholds: project bidding, architecture and engineering services. Once more, we are eager to continue our collaboration with you. So we come again to offer you the benefit of our work product and outcomes as bill drafts which collectively we could all support and would be in the best interest of all of North Dakota.