
Wisconsin Legislative Council

AMENDMENT MEMO



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2019 Assembly Bill 820

Assembly Amendment 2

CURRENT LAW

The Department of Transportation (DOT) administers a program for “design-build projects.” A design-build project is one in which design, engineering, construction, and related services are procured through a single contract with a single private legal entity, consortium, or joint venture capable of providing the necessary design, engineering, construction, and related services.

A contract for a design-build project may be awarded on several bases, including as a “best value design-build contract” or as a “low bid design-build contract”:

- A **best value design-build** contract means a design-build contract award made following a calculation of value.
- A **low bid design-build** contract means a design-build contract award made to the lowest qualified responsible bidder.

A bidder must submit both a “cost proposal” and a “technical proposal” for a given project:

- A **cost proposal** is one that clearly identifies the costs of all services to be performed by the qualified responsible bidder, including all related fees, wages, and equipment and material costs.
- A **technical proposal** is one that clearly demonstrates a qualified responsible bidder’s understanding of the design, engineering, and construction services to be performed and clearly describes the bidder’s approach to the project.

Both the cost proposal and the technical proposal are given a score by DOT as part of determining which contracts to award.

2019 ASSEMBLY BILL 820

2019 Assembly Bill 820 creates several new requirements for the implementation of design-build projects by DOT under its program. As relevant to Assembly Amendment 2, the bill provides as follows:

- DOT must award six design-build contracts every six years. The combined cost of the six contracts during that period may not exceed \$250 million. The combined cost of all low bid design-build contracts during that period may not exceed **\$25 million**.
- When evaluating a technical proposal as part of awarding a best value design-build contract, DOT must award the technical proposal not less than 25 percent and not more than **60 percent** of the maximum number of combined points that may be awarded to a technical proposal and cost proposal.

ASSEMBLY AMENDMENT 2

Assembly Amendment 2 modifies each of the two parts of the bill described above. The amendment provides as follows:

- First, the combined cost of all low-bid design-build contracts awarded during each six-year period may not exceed **\$50 million** (up from \$25 million in the bill).
- Second, when evaluating a technical proposal as part of awarding a best value design-build contract, DOT must award the technical proposal not less than 25 percent and not more than **55 percent** (down from 60 percent in the bill) of the maximum number of combined points that may be awarded to a technical proposal and cost proposal.

BILL HISTORY

Representative Steineke offered Assembly Amendment 2 on February 18, 2020. On that same day, the Assembly adopted the amendment and passed the bill, as amended, on voice votes.

EL:ksm