

**Senate File 2177 - Introduced**

SENATE FILE 2177

BY QUIRMBACH

**A BILL FOR**

1 An Act relating to the use of construction managers for certain  
2 public improvement projects.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 72.6 Requirements for use of  
2 construction managers.

3 1. For purposes of this section, unless the context  
4 otherwise requires:

5 a. "Construction" means the same as defined in section  
6 103A.3.

7 b. "Construction manager" means a person with substantial  
8 discretion and authority to plan, coordinate, manage, and  
9 direct all phases of a construction project, but does not mean  
10 a person who provides architectural, landscape architectural,  
11 or engineering design services, or who actually performs  
12 construction work on the project.

13 c. "General contractor" means a person who engages in the  
14 business of construction, but does not include a construction  
15 manager.

16 d. "Governing body" means a city council, county board of  
17 supervisors, or school district board of directors.

18 e. "Governmental entity" means a city, county, or school  
19 district.

20 f. "Public improvement" means a building or construction  
21 work which is constructed under the control of a governmental  
22 entity and is paid for in whole or in part with funds of the  
23 governmental entity, including a building or improvement  
24 constructed or operated jointly with any other public or  
25 private agency.

26 2. If the governing body of a governmental entity is  
27 considering the use of a construction manager to administer  
28 the construction of a public improvement, before the governing  
29 body begins the process of selecting a construction manager for  
30 the project, the governing body shall hold a public hearing  
31 for the purpose of determining the relative advantages and  
32 disadvantages in cost and other aspects of the project that  
33 may result from using a construction manager to administer  
34 the project instead of a general contractor. Notice of the  
35 hearing must be published as provided in section 362.3. At

1 the time and place fixed for the public hearing, the governing  
2 body shall give all individuals who appear at the hearing an  
3 opportunity to express their views on the subject at issue. If  
4 the governing body decides to use a construction manager to  
5 administer the project subsequent to the hearing, the governing  
6 body shall publicly adopt a resolution to that effect. If  
7 such a resolution is adopted, the governing body may use a  
8 construction manager to administer the project. If such a  
9 resolution is not adopted, the governing body shall use a  
10 general contractor to administer the project.

11 EXPLANATION

12 The inclusion of this explanation does not constitute agreement with  
13 the explanation's substance by the members of the general assembly.

14 This bill requires the governing body of a governmental  
15 entity considering the use of a construction manager to  
16 administer the construction of a public improvement to hold  
17 a public hearing before beginning the process of selecting a  
18 construction manager for the project.

19 The purpose of the public hearing is to determine the  
20 relative advantages and disadvantages in cost and other aspects  
21 of the project that may result from using a construction  
22 manager to administer the project instead of a general  
23 contractor. At the hearing, the governing body shall give all  
24 individuals who appear at the hearing an opportunity to express  
25 their views.

26 If the governing body decides to use a construction manager  
27 to administer the project subsequent to the hearing, the  
28 governing body shall publicly adopt a resolution to that  
29 effect. If such a resolution is adopted, the governing body  
30 may use a construction manager to administer the project. If  
31 such a resolution is not adopted, the governing body shall use  
32 a general contractor to administer the project.

33 The bill defines "governmental entity" as a city, county,  
34 or school district. The bill defines "construction manager"  
35 as a person with substantial discretion and authority to plan,

1 coordinate, manage, and direct all phases of a construction  
2 project, but not a person who provides architectural, landscape  
3 architectural, or engineering design services, or who actually  
4 performs construction work on the project. The bill defines  
5 "general manager" as a person who engages in the business of  
6 construction who is not a construction manager. The bill  
7 defines "public improvement" as a building or construction  
8 work which is constructed under the control of a governmental  
9 entity and is paid for in whole or in part with funds of the  
10 governmental entity, including a building or improvement  
11 constructed or operated jointly with any other public or  
12 private agency. The bill defines "construction" as the  
13 construction, erection, reconstruction, alteration, conversion,  
14 repair, equipping of buildings, structures or facilities, and  
15 requirements or standards relating to or affecting materials  
16 used in connection therewith, including provisions for safety  
17 and sanitary conditions.