

**RESOLUTION  
ROCK COUNTY BOARD OF SUPERVISORS**

SUPERVISOR PHILLIP OWENS  
INITIATED BY



SUPERVISOR PHILLIP OWENS &  
JEFFREY S. KUGLITSCH  
DRAFTED BY

GENERAL SERVICES  
COMMITTEE  
SUBMITTED BY

JULY 12, 2017  
DATE DRAFTED

REQUESTING STATE LAW CHANGE ALLOWING COUNTIES THE USE OF  
THE DESIGN-BUILD CONSTRUCTION METHOD AND UPDATE THE  
STATUTORY BIDDING REQUIREMENTS

1     **WHEREAS**, under Wisconsin Statutes § 59.52(29), counties are required to engage in a competitive  
2 bidding process on public work construction projects greater than \$25,000 and provide a Class I notice on  
3 any public work with a cost between \$5,000-\$25,000; and  
4

5     **WHEREAS**, these statutory limits of \$5,000 and \$25,000 have been in place for decades and need to  
6 be updated; and  
7

8     **WHEREAS**, the State of Wisconsin has recognized the advantages of the Design-Build Method and  
9 authorizes that process to be followed for state-controlled building projects and certain other entities; and  
10

11    **WHEREAS**, at the current time, Wisconsin counties are not authorized to use the Design-Build  
12 Method for construction projects; and  
13

14    **WHEREAS**, under the Design-Build Construction Method, counties would contract with a single  
15 entity to provide both the design and the construction of a public work project as opposed to having bid  
16 those projects separately; and  
17

18    **WHEREAS**, in addition to a single source of responsibility, other advantages of Design-Build  
19 include enhanced creativity, guaranteed costs, faster project completion, improved risk management,  
20 fewer change orders and less administrative burden.  
21

22    **NOW, THEREFORE, BE IT RESOLVED** by the Rock County Board of Supervisors duly  
23 assembled this 12 day of October 2017 does hereby request that the Rock County Legislators introduce  
24 and support legislation authorizing counties to utilize the Design-Build option.  
25

26    **BE IT FURTHER RESOLVED** that the legislature take action to update the antiquated project limit  
27 in Sec. 59.52(29), Stats., ~~from \$25,000 to \$250,000~~ and the requirement of a Class I notice be raised for  
28 any public work to a cost in excess of \$50,000.  
29

30    **BE IT FURTHER RESOLVED** that the County Clerk is authorized to send copies of this resolution  
31 to the Rock County Legislative Delegation and the Wisconsin Counties Association to elicit support for  
32 this requested change in state law.

Respectfully submitted:

GENERAL SERVICES COMMITTEE

Henry Brill, Chair

Absent  
Bob Yeomans

Jason Heidenreich, Vice Chair

Jeremy Zajac

David Homan

17-9A-351

REQUESTING STATE LAW CHANGE ALLOWING COUNTIES THE USE OF THE DESIGN-BUILD CONSTRUCTION METHOD AND UPDATE THE STATUTORY BIDDING REQUIREMENTS

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FISCAL NOTE:

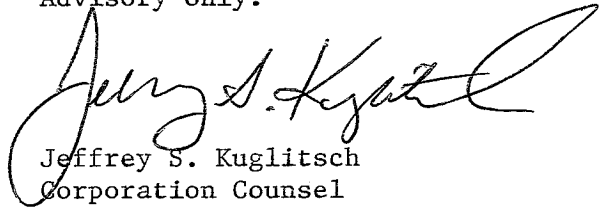
This resolution requests State legislation changes that could potentially save the County time, effort and funds for future construction projects.



Sherry Oja  
Finance Director

LEGAL NOTE:

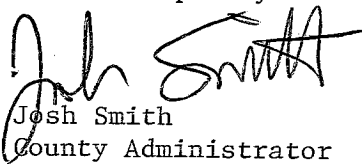
Advisory only.



Jeffrey S. Kuglitsch  
Corporation Counsel

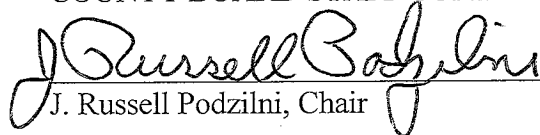
ADMINISTRATIVE NOTE:

Matter of policy.

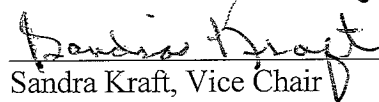


Josh Smith  
County Administrator

COUNTY BOARD STAFF COMMITTEE



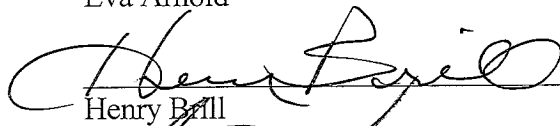
J. Russell Podzilni, Chair



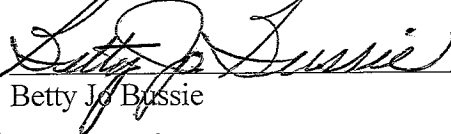
Sandra Kraft, Vice Chair

Absent

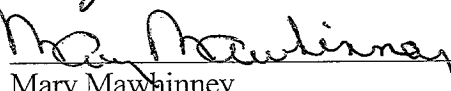
Eva Arnold



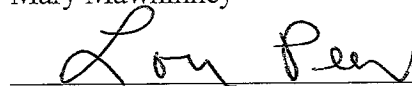
Henry Brill



Betty Jo Bussie



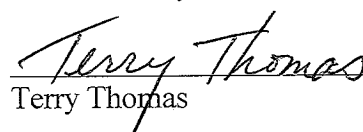
Mary Mawhinney



Louis Peer

Absent

Alan Sweeney



Terry Thomas

## EXECUTIVE SUMMARY

Under § 59.52(29), Wis. Stats., county construction contracts that exceed \$25,000 must be awarded to the lowest responsible bidder using the competitive bidding process. In addition, if the estimated public work is between \$5,000 and \$25,000, the County must give a Class I notice before it contracts for such work. These dollar limits have been in place for decades and are unrealistic and need to be updated to a more current number.

Under the current practice, an architect first designs the construction project, construction designs are then let for bid and contractors submit bids to construct the project based on those design plans. There are inherent disadvantages to a competitive bidding process. Most notably are the lengthy processes and the incentive to low-ball the bid and make up the difference through change orders. Though change orders are a normal condition of any construction project, currently they have become an income generating tool. The time and effort required in negotiating change orders is significant and increases the overall cost of the project.

Another problem is performance quality. If the project is completed and has been done in either a substandard method or with substandard materials in order to meet the low ball bid, the overall project suffers and actual cost is then again increased. We need to have contractors that are willing to prepare fair and accurate proposals for the work and live up to those terms. This also includes the architects and those associated with the preparation and completion of any given project. Design Build concepts allow for that process to happen.

Many of the projects involved in these situations represent millions of dollars and have long-term effects upon counties in the term of operation and maintenance of facilities. This in turn is reflected in taxation of residents and the ability for the county to provide necessary services. We need to have a more affective process in establishing and choosing the appropriate bid for these county projects. Allowing Design Build benefits not only the County, but also the taxpayers.