# Senate Bill 1589

Sponsored by Senator SHIELDS; Senator BOQUIST (Presession filed.)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Permits contracting agency to establish price agreement for architectural, engineering, photogrammetric mapping, transportation planning or land surveying services or related services. Provides mandates and guidelines for establishing price agreements.

Becomes operative January 1, 2013.

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Declares emergency, effective on passage.

# A BILL FOR AN ACT

2 Relating to price agreements for certain personal services; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

4 <u>SECTION 1.</u> Section 2 of this 2012 Act is added to and made a part of ORS 279C.100 to 5 279C.125.

6 <u>SECTION 2.</u> (1) As used in this section, "price agreement" means a contract for archi-7 tectural, engineering, photogrammetric mapping, transportation planning or land surveying 8 services or related services in which the contracting agency:

9 (a) Specifies a general limit, stated either as a dollar amount or otherwise, on the quan-10 tity of architectural, engineering, photogrammetric mapping, transportation planning or land 11 surveying services or related services that the contracting agency might require during a 12 specific period of time, but does not specify the exact quantity that the contracting agency 13 will require; and

(b) Places a work order under the terms of the contract for each specific quantity of
 architectural, engineering, photogrammetric mapping, transportation planning or land sur veying services or related services the contracting agency requires within the specific period
 of time.

(2)(a) A contracting agency, subject to ORS 279C.105, may award a contract as a price agreement if the contracting agency cannot specify in advance a particular quantity, other than a minimum quantity, of architectural, engineering, photogrammetric mapping, transportation planning or land surveying services or related services that the contracting agency requires during a specific period of time.

(b) A contracting agency may award a contract as a price agreement only if the contracting agency anticipates a recurring need for a minimum quantity of architectural, engineering, photogrammetric mapping, transportation planning or land surveying services or related services for the term of the price agreement.

(3) Solicitation materials and the terms and conditions for a price agreement established
 in accordance with this section must:

29 (a) Specify the term of the price agreement, which may not exceed four years;

30 (b) Specify the minimum quantity of architectural, engineering, photogrammetric map-

#### SB 1589

1 ping, transportation planning or land surveying services or related services that the con-2 tracting agency may require under the price agreement;

3 (c) Include a statement of work, a specification for services or a similar description of
4 the nature, general scope, complexity and purpose of the procurement that will reasonably
5 enable a prospective bidder or proposer to decide whether to submit a bid or proposal;

6 (d) State that the contracting agency will evaluate bids and proposals and establish the 7 price agreement in accordance with the provisions of ORS 279C.100 to 279C.125;

8 (e) Specify guidelines or procedures the contracting agency will follow when the con 9 tracting agency issues individual work orders;

(f) State that the contracting agency may issue an individual work order under the price
 agreement orally and that the contracting agency will confirm in writing an individual work
 order the contracting agency issues orally; and

(g) Specify whether the contracting agency may establish the price agreement with one
 consultant or with two or more consultants. If the contracting agency establishes the price
 agreement with two or more consultants:

16 (A) The solicitation and the contract that establishes the price agreement must describe 17 the criteria and procedures the contracting agency will use to ensure that each consultant 18 with which the contracting agency established the price agreement will be considered for 19 individual work orders.

(B) The provisions of ORS 279C.110 (1) apply to the criteria the contracting agency uses
 to select a consultant for an individual work order for architectural, engineering, pho togrammetric mapping, transportation planning or land surveying services.

(C) The provisions of ORS 279C.120 apply to the criteria the contracting agency uses to
 select a consultant for an individual work order for related services. The contracting agency
 may use the consultant's qualifications or pricing information, separately or together, as
 criteria for selecting a consultant for an individual work order for related services.

(D) The provisions of ORS 279C.107 apply to proposals that a proposer submits in response to a solicitation for an individual work order.

(E) Subject to the estimated cost limitation set forth in ORS 279C.110 (8), a contracting
 agency may issue an individual work order as a direct appointment. Subject to the provisions
 of ORS 279C.115, a contracting agency may directly appoint a consultant to continue a
 project.

(F) A contracting agency, in selecting a consultant for an individual work order, may
 consider whether the consultant has received individual work orders under the price agree ment previously or regularly.

(G) The solicitation materials for an individual work order under the price agreement
shall include a three-year history of the number of similar work orders and the dollar value
of each similar work order the contracting agency issued under the pricing agreement to
business enterprises that are certified under ORS 200.055.

40 (4) A price agreement may specify a minimum quantity or a maximum quantity of ar-41 chitectural, engineering, photogrammetric mapping, transportation planning or land survey-42 ing services or related services for which a contracting agency may issue an individual work 43 order and may specify a maximum quantity of architectural, engineering, photogrammetric 44 mapping, transportation planning or land surveying services or related services for which the 45 contracting agency may issue an individual work order within a specific period of time.

[2]

## SB 1589

(5) A contracting agency that establishes a price agreement under this section:

2 (a) May not require a consultant to obtain professional liability or errors and omissions 3 insurance if a licensed or registered professional consultant is not required to perform, re-4 view or approve the work that is the subject of the price agreement or of an individual work 5 order.

6 (b) May accept proof of a consultant's insurability in lieu of requiring professional liabil-7 ity or errors and omissions insurance until the contracting agency actually issues an indi-8 vidual work order under the price agreement, at which time the contracting agency may 9 require the insurance if a licensed or registered consultant must perform, review or approve 10 the work specified in the individual work order.

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SECTION 3. (1) Section 2 of this 2012 Act becomes operative on January 1, 2013.

12 (2) The Director of the Oregon Department of Administrative Services, the Attorney 13 General or a contracting agency that adopts rules under ORS 279A.065 may take any action 14 before the operative date specified in subsection (1) of this section that is necessary to enable 15 the director, the Attorney General or the contracting agency to exercise, on and after the 16 operative date specified in subsection (1) of this section, all of the duties, functions and 17 powers conferred on the director, the Attorney General or the contracting agency by section 18 2 of this 2012 Act.

<u>SECTION 4.</u> This 2012 Act being necessary for the immediate preservation of the public
 peace, health and safety, an emergency is declared to exist, and this 2012 Act takes effect
 on its passage.

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