



ARIZONA STATE SENATE
Fifty-Sixth Legislature, Second Regular Session

FACT SHEET FOR S.B. 1054

state construction project delivery methods

Purpose

Extends the authorization, until December 31, 2030, for the Arizona Department of Transportation (ADOT) or an agent to commence design-build projects and procure construction services and horizontal construction using alternative methods of project delivery.

Background

Statute outlines an alternative process to professional service negotiations by which an agent may award a single contract for design-build construction services or job-order-contracting construction services ([A.R.S. § 28-7363](#)). An *agent* is any local municipality of the state and includes any county board of supervisors and any representative authorized by an agent to act as an agent for the purpose of authorizing necessary change orders to previously awarded contracts ([A.R.S. § 34-101](#)).

Construction services, for construction-manager-at-risk, design-build and job-order-contracting project delivery methods, are either: 1) construction, excluding services, through the construction-manager-at-risk or job-order-contracting project delivery methods; or 2) a combination of construction and, as elected by the agent, one or more related services. *Horizontal construction* is construction of highways, roads, streets, bridges, canals, floodways, earthen dams, landfills, airport runways, taxiways and aprons and light rail, excluding any related rail stations, maintenance facilities or parking facilities ([A.R.S. § 34-603](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Authorizes, until December 31, 2030, rather than December 31, 2025, ADOT to:
 - a) commence a design-build project; and
 - b) procure construction services using the construction-manager-at-risk or job-order-contracting construction services method of project delivery.
2. Allows, until December 31, 2030, rather than June 30, 2025, an agent to procure:
 - a) construction-manager-at-risk construction services for horizontal construction; and
 - b) horizontal construction using the construction-manager-at-risk, design-build or job-order-contracting methods of project delivery.
3. Grandfathers the authorization of contracts solicited on or before December 31, 2025.
4. Makes technical and conforming changes.
5. Becomes effective on the general effective date.