



**Senate Bill No. 1183**

**An Act Concerning State Construction Related Thresholds  
Testimony of the Department of Administrative Services (DAS)**

**Committee on Government Administration and Elections  
March 10, 2023**

Good morning, Senator Flexer, Representative Blumenthal, Senator Sampson, Representative Mastrofrancesco, and distinguished members of the Government Administration and Elections Committee, my name is David Barkin, and I am the Chief Architect and Director of Operational and Process Planning in the Real Estate and Construction Services division at the Department of Administrative Services (“DAS”). I want to thank the Committee for discussing our agency bill, and I urge **SUPPORT** of **Senate Bill No. 1183, An Act Concerning State Construction Related Thresholds**.

In summary, SB 1183 includes a number of proposed changes to modernize construction-related thresholds and other outdated statutory language. First, it eliminates the requirement that DAS advertise in hard copy newspapers. Second, it increases the cost threshold for the Military Departments and Constituent Units of Higher Education to have charge and supervision of the remodeling, alteration, repair, construction, or enlargement of any real asset. Finally, the proposal increases the project cost definition for the hiring of consultants utilizing DAS on-call contractors from \$500,000 to \$750,000, to be adjusted annually going forward. More specifically, the bill does as follows:

**Section 1** modernizes the statute by eliminating the requirement that DAS advertise in newspapers when DAS is leasing space larger than 2,500 square feet and adds a requirement that DAS advertise on agency websites and on the state’s procurement portal. By eliminating the advertising requirement, we anticipate a reduction in marketing costs by approximately \$3,500/year.

**Section 2** increases the cost thresholds for both the Military Department and Constituent Units of Higher Education to have charge and supervision of remodeling, alteration, repair, construction, or enlargement of any real asset from \$2M to \$3M dollars. Given the escalation in construction costs over time and no adjustment to the threshold in many years, we support an increase to allow the entities to continue to manage consistently sized projects.

This legislation does not propose changing the threshold for the Judicial Branch because the Branch’s threshold was raised last year from \$1.25M to \$2M in Section 1 of Public Act 22-26. Unlike the Military Department and Connecticut State Colleges and Universities (CSCU), the Judicial Branch uses their own contracts to hire architects and engineers and has no equivalent document to the DAS Consultants Procedure Manual to define work product nor quality

standards. In addition, since the Judicial Branch threshold increase last year, we have not seen an increase in technical staff warranting a 50% increase in their construction authority.

**Section 3** increases project cost definition from \$500,000 to \$750,000 for the hiring of consultants utilizing DAS on-call contracts. Currently, any consultant hired where fees are in excess of \$500,000 requires a formal selection process which adds significant time and complexity, increases requisite staff time to process the Requests for Qualifications, conducting the selection panels and negotiating fees on a project-by-project basis. For projects below the threshold, we select from our on-call consultants list, assign the project, and then negotiate without the need to advertise the project. Such an on-call selection process reduces the time of the project by 6-9 months. A higher threshold allows DAS to use the on-call contracts more broadly. In 1993, the value of this threshold was set at \$300,000 and was increased to \$500,000 in 2016.

This section also includes language to increase the project cost definition threshold annually, starting on July 1, 2024, by adjusting it by the percentage change in the producer price index commodity data for construction (partial) on July 1<sup>st</sup> of each year.

Again, thank you for the opportunity to submit testimony on this proposal. I urge **SUPPORT** of **Senate Bill No. 1183, An Act Concerning State Construction Related Thresholds.**