

# HOUSE BILL 1063

L5

5lr0976

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By: **Montgomery County Delegation and Prince George's County Delegation**

Introduced and read first time: February 5, 2025

Assigned to: Environment and Transportation

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Committee Report: Favorable

House action: Adopted

Read second time: February 27, 2025

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Washington Suburban Sanitary Commission – Design and Construction**  
3 **– Alternative Project Delivery and Solicitation Methods**

4 **MC/PG 102–25**

5 FOR the purpose of repealing a limitation on the design/build contracts into which the  
6 Washington Suburban Sanitary Commission may enter; authorizing the  
7 Commission to adopt regulations establishing certain alternative project delivery  
8 and solicitation methods; and generally relating to design and construction projects  
9 of the Washington Suburban Sanitary Commission.

10 BY repealing and reenacting, with amendments,  
11 Article – Public Utilities  
12 Section 20–104  
13 Annotated Code of Maryland  
14 (2020 Replacement Volume and 2024 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
16 That the Laws of Maryland read as follows:

17 **Article – Public Utilities**

18 20–104.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (a) The Commission shall provide an opportunity for a hearing before proceeding  
2 with the design or construction of a water supply or sanitary sewer system.

3 (b) Subject to subsection (c) of this section, the Commission:

4 (1) shall advertise in newspapers and technical media that the Commission  
5 considers appropriate for bids or proposals for design or construction services for any part  
6 of a water supply or sanitary sewer system; and

7 (2) may readvertise any part of the services needed if the Commission  
8 considers the prices quoted in response to a prior advertisement to be unreasonable.

9 (c) (1) Subject to paragraph (2) of this subsection, the Commission may use  
10 day labor to complete any part of the design or construction of a water supply or sanitary  
11 sewer system.

12 (2) Notwithstanding § 20–105(a) of this subtitle, the Commission may  
13 spend up to \$15,000 for day labor for any part of construction services without advertising  
14 for or receiving bids or proposals.

15 (d) (1) Except as provided in paragraph (2) of this subsection, the Commission  
16 may enter into any type of contract under this subtitle that promotes the best interest of  
17 the Commission.

18 (2) The Commission:

19 (i) may not enter a cost-plus-percentage-of-cost contract; and

20 (ii) shall prohibit a cost-plus-percentage-of-cost subcontract under  
21 a contract with the Commission.

22 (e) [The Commission may only enter into a design/build contract for a facilities  
23 construction contract with costs exceeding \$2,000,000.

24 (f) The Commission may reject any bid or proposal.

25 [(g)] (F) (1) The Commission may require a contract to be secured by bonds,  
26 penalties, and conditions.

27 (2) Security authorized under this subsection is enforceable in any court of  
28 competent jurisdiction.

29 [(h)] (G) The Commission:

30 (1) may adopt regulations to establish:

1                   **(I)**     a prequalification process for bidders or offerors; and

2                   **(II) ALTERNATIVE PROJECT DELIVERY AND SOLICITATION**  
3 **METHODS THAT PROMOTE THE BEST INTERESTS OF THE COMMISSION; AND**

4                   (2)     shall adopt regulations to govern discussions held with offerors under §  
5 20–105(c)(3) of this subtitle.

6                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
7 October 1, 2025.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.