



John A. Carey  
Inspector General

## OFFICE OF INSPECTOR GENERAL PALM BEACH COUNTY

TIPS AND TRENDS #2020-0007  
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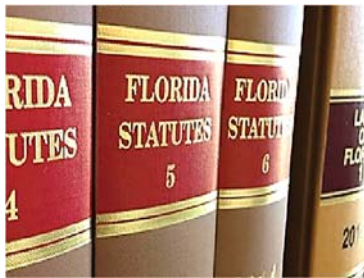


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### Construction and Continuing Contract Statutory Changes

Governor DeSantis signed Florida House Bill 441 (HB441) "Public Procurement of Services (2020-127, Laws of Florida)" on June 29, 2020. The bill, which became effective on July 1, 2020, amends s. 255.103, Florida Statutes (F.S.) to revise the maximum dollar amount for continuing contracts for construction projects; amends s. 287.055, F.S. to revise the term "continuing contract,"<sup>1</sup> and increases maximum dollar amounts for professional architectural, engineering, landscape architectural, and surveying and mapping services.

#### Summary of Changes



The Consultants' Competitive Negotiation Act (CCNA), s. 287.055, F.S., requires state and local government agencies to procure the "professional services" of an architect, professional engineer, landscape architect, or registered surveyor and mapper using a qualifications-based selection process. Qualifications-based selection is a process whereby service providers are retained based on competency, qualifications, and experience, rather than price.

Prior to July 1, 2020, the CCNA authorized the use of continuing contracts for construction projects in which the estimated construction cost of each project did not exceed \$2 million or did not exceed \$200,000 in professional fees for study services. As of July 1, 2020, the new law increases the maximum limit for continuing contracts covered by the CCNA by \$2 million to an estimated per-project construction cost of \$4 million. The bill also increases the limit for procuring study services using a continuing contract by \$300,000 per study to a maximum of \$500,000.

#### Suggestions

We recommend that local government entities consult with their legal counsel and compare HB 441, and Chapters 287 and 255, F.S. with current purchasing procedures, specifically in regards to the procurement of construction and professional services in accordance with the Consultants' Competitive Negotiation Act and make changes, as needed.

<sup>1</sup> A "continuing contract" is defined as a contract for professional services with a fixed term or with no time limitation except that the contract must provide a termination clause. Firms providing professional services under continuing contracts shall not be required to bid against one another. Section 287.055(2)(g), F.S. For construction contracts, a "continuing contract" is defined as a contract pursuant to the process provided in s. 287.055, with a construction management or program management firm for work during a defined period on construction projects described by type which may or may not be identified at the time of entering into the contract. Section 255.103(4), F.S.

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