November 27, 2019

The Honorable Andrew M. Cuomo
Governor of the State of New York
Executive Chamber
State Capitol
Albany, NY 12224

Dear Governor Cuomo:

The Citizens Budget Commission (CBC) urges you to sign A7636B/S6293A, which would authorize New York City to use design-build and other innovative capital procurement methods.

CBC has long supported the use of design-build contracting to reduce capital construction costs and accelerate project delivery. The State has benefited from using design-build for large projects, including the Mario M. Cuomo and Kosciuszko Bridges, as well as from DOT’s Accelerated Bridge Program.

With a few exceptions, however, State law currently bars New York City from using design-build and other innovative procurement methods. Instead, City agencies and authorities must abide by strict procurement rules that limit flexibility and the ability to select the contracting team that offers the best value to city taxpayers. The result is that City capital projects take longer to complete and cost more than they should.

CBC does have some concerns about the bill. The bill ties the use of the alternative procurement and delivery methods to the use of project-labor agreements (PLAs), which could affect the City’s ability to evaluate and revise its PLAs over time. Similarly, the protections for public sector capital project managers and the prohibitions on using outside contractors to maintain assets built through design-build could offset some of its efficiencies. These issues could and should be addressed in future amendments.

Overall, however, CBC believes that the benefits of A7636B/S6293A outweigh our concerns and it would represent a significant step forward in capital project delivery for the City.

Sincerely,

Andrew S. Rein
President