

October 3, 2023

Representative Tyrone Carter
Chair of House Regulatory Reform Committee
375 Capitol Building
Lansing, MI 48933

Subject: Support for HB 4603 and HB 4604: Enhancing Construction Options for Michigan's K-12 Educational Community

Dear Representative Carter and esteemed members of the House Regulatory Reform Committee,

I am writing to you as Mark Titus, a Vice President overseeing a Design Build enterprise that operates in Indiana and Michigan, with an annual construction volume exceeding \$275 million in Indiana alone. Our company proudly employs the Design Build approach exclusively, having thrived for a quarter-century with a cumulative contract value exceeding \$3.0 billion.

The adoption of Design Build in the Indiana market has significantly transformed the landscape of K-12 school construction. It is my pleasure to share with you the firsthand account of a pivotal moment when a prominent K-12 institution shifted from traditional construction to Design Build. The School Superintendent articulated the following outcomes:

- "We realized everything that was promised from the beginning without change orders."
- In our last traditional construction project, we encountered over 75 change orders, entangling us in a labyrinth of negotiations between the architect and construction firm. With Design Build, we collaborated seamlessly with a single entity, devoid of any change orders.
- We enjoyed a highly collaborative process, permitting us to incorporate changes throughout the project while adhering to the original schedule.

Having spent over 25 years in the construction industry as a client nationwide, I have witnessed firsthand the challenges of the traditional construction model. Design Build not only resolved these issues but also delivered a range of benefits, including:

- Single point of accountability via one contract, fostering enhanced collaboration.
- Elimination of change orders.
- Transparent pricing.
- Heightened efficiency.
- Lower construction costs.
- Performance guarantees.
- A unified focus on creating optimal learning environments.

We respectfully request your support for HB 4603, which introduces pivotal changes to the existing school construction code, including:

1. Option for Design-Build: Schools will be empowered to select the Design-Build method as their construction approach, amalgamating design and construction into a singular, cohesive team, reducing conflicts, disruptions, and schedule delays, thus resulting in cost savings.
2. Criteria Developer for School Protection: The bill mandates the appointment of a criteria developer by the school, a Michigan-licensed architect, to guide the school throughout the project's life cycle, from conception to bidding and construction. This added layer of oversight ensures the school's

interests are safeguarded, with two independent architectural firms overseeing the project, a unique feature compared to other construction methods.

3. Collaboration with Licensed Architect Firms: In consultation with the Michigan Department of Licensing and Regulatory Affairs (LARA), the companion bill, HB 4604, facilitates partnerships between design-build teams and architect firms licensed in Michigan. This collaboration guarantees that the project adheres to the highest standards of architectural expertise.

This presents an exciting opportunity to expand construction options in the K-12 educational community, offering taxpayers the highest quality for their investment in schools. Embracing Integrated Design-Build will significantly bolster the capacity to protect schools' interests during the construction process, as competition invariably leads to improved quality at lower costs.

In conclusion, I fervently support the Committee's thoughtful consideration of House Bill No. 4603 and HB 4604. These bills hold the promise of benefiting school districts throughout Michigan, including your valued constituents. I extend my gratitude for your time and unwavering dedication to our educational communities.

Sincerely,

Mark A. Titus,
Vice President
Performance
Services Inc.