

SENATE BILL REPORT

SB 6455

As Reported by Senate Committee On:
Governmental Operations, February 3, 2014

Title: An act relating to alternative contracting performance goals.

Brief Description: Concerning alternative contracting performance goals.

Sponsors: Senator Keiser.

Brief History:

Committee Activity: Governmental Operations: 2/03/14 [DP].

SENATE COMMITTEE ON GOVERNMENTAL OPERATIONS

Majority Report: Do pass.

Signed by Senators Roach, Chair; Hasegawa, Ranking Member; Conway, Dandel and McCoy.

Staff: Karen Epps (786-7424)

Background: The Capital Projects Advisory Review Board (CPARB) provides an evaluation of public capital projects construction processes, including the impact of contracting methods on project outcomes, and advises the Legislature on policies related to public works delivery methods. Twenty-three members serve on CPARB. Fourteen members are appointed by the Governor, including representatives from general construction, architecture, engineering, subcontracting, construction trades labor organizations, private industry, a few state agencies, and domestic insurers. Additional members are selected by the Association of Washington Cities, the Washington State Association of Counties, the Washington Public Ports Association, the Association of Washington Public Hospital Districts, and the Washington State School Directors' Association. CPARB also includes four members of the Legislature: two from the House of Representatives and two from the Senate.

Public works contracts of a large dollar amount that meet certain criteria and have been approved by CPARB may be awarded through an alternative contracting procedure in which the selection of a contractor is based on factors other than low bid. There are three alternative procedures authorized by law: design-build (DB), job order contracting, and

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

general contractor/construction manager. The authorization to use alternative public works procedures expires June 30, 2021.

DB is an alternative contracting method that melds design and construction activities into a single contract. The government agency contracts with a single firm to both design and construct the facility based on the needs identified by the agency. Selection of the firm is based on a weighted scoring of factors, including firms' qualifications and experience, project proposals, and bid prices. In addition to projects that are highly specialized or repetitive in nature, DB may be used for construction of parking garages, and the erection of pre-engineered metal buildings or prefabricated modular buildings.

Upon selection of the finalists, the public agency must issue a request for proposals to the finalists, and provide the following information:

- a detailed description of the project including programmatic, performance, and technical requirements and specifications; functional and operational elements; minimum and maximum net and gross areas of any building; and, at the discretion of the public body, preliminary engineering and architectural drawings; and
- the target budget for the DB portion of the project.

Summary of Bill: Upon selection of the finalists for a DB project, the public agency must issue a request for proposals to the finalists and provide certain information, including building performance goals and validation requirements.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill is designed to provide a larger perspective for the total cost of a building, not just the construction costs but also the life cycle of a building. State government builds buildings for a long life. Making sure that public buildings have a good life cycle outcome is wise policy and will ultimately help our taxpayers. Last year's bill directed CPARB to study the issue of life cycle costs and come back to the Legislature with some recommendations for how additional elements can be incorporated into alternative public works. This bill comes from one of the recommendations from that report. The recommendations were unanimously supported by CPARB.

Persons Testifying: PRO: Senator Keiser, prime sponsor; Bob Maruska, CPARB; Larry Stevens, Mechanical Contractors Assn., National Electrical Contractors Assn.