

STATE OF WASHINGTON Capital Projects Advisory Review Board

November 1, 2022

The Honorable Patty Kuderer Washington State Senate PO Box 40448 Olympia, WA 98504 The Honorable Gerry Pollet House of Representatives PO Box 40600 Olympia, WA 98504

Dear Senator Kuderer and Representative Pollet:

## **Re: Subcontractor Bid Listing Report**

The 2021 Legislature charged the Capital Projects Advisory Review Board (CPARB) per <u>Section</u> <u>1(6) of Engrossed Senate Bill 5356</u> (2021) with submitting a secondary report to evaluate current subcontractor listing policies and practices in <u>RCW 39.30.060</u>; recommend appropriate expansion of the number of subcontractors that may be listed in order to improve transparency and fairness without reducing competitive bidding and access to public works by minority and women-owned businesses; and recommend possible project threshold and time frames for purposes of subcontractor listings for all scopes of work that are not required to list under law.

The Subcontractor Bid Listing Policy Evaluation Committee (SBLPEC) was formed in February 2020 is comprised of members from various stakeholder groups represented in CPARB. Participants in the meetings reported on how the revised Subcontractor listing law was working from their perspectives, what issues it may be causing and how effective it was at its intended purpose " ... to allow fair, transparent, and competitive bidding while prohibiting bid shopping." Participants were also asked to discuss the current legislation with their constituents and report back to subcommittee any possible or desired changes or modifications to the current legislation. Due to concurrent efforts underway on other CPARB subcommittees, the SBLPEC did not ultimately include representation from women and minority owned businesses or from design professionals.

After seven committee meetings, CPARB's SBLPEC recommends that the current legislation remains in place as written with no changes at this time. SBLPEC further recommends that the GC/CM and Job Order Contracting Committees to CPARB add to their Best Practices language the following: *"It is recommended as a best practice that all bidding documents including Subcontractor quotes, Supplier quotes and Contractors estimates be treated as open book materials to all competing subcontractors, suppliers and Owners."* The committee recognizes the important of hearing from all voices and will engage with the diverse voices that were not available to participate as a continuation of this effort.

CPARB appreciates the continued opportunity to serve the legislature and thank you for entrusting us to develop this attached report.

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If you have any questions, please contact lead staff for CPARB, Nancy Deakins at <u>nancy.deakins@des.wa.gov</u> or (360) 280-6236 or myself at <u>zahn.j@portseattle.org</u> or (206) 787-3798.

Sincerely,

Ami In

Janice Zahn, PE CCM CPARB Chair

 cc: David Schumacher, Director, Office of Financial Management Tara Smith, Director, Department of Enterprise Services
Ann Larson, Assistant Director, Policy & Government Relations, Department of Enterprise Services
Bill Frare, Assistant Director, Facilities Professional Services, Department of Enterprise Services
CPARB Members