

HOUSE BILL REPORT

SSB 6439

As Reported By House Committee On:
Transportation Policy & Budget

Title: An act relating to construction of certain highway projects under a design-build procedure.

Brief Description: Authorizing design-build demonstration projects.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators Wood, Haugen, Prince and Horn; by request of Department of Transportation).

Brief History:

Committee Activity:

Transportation Policy & Budget: 2/24/98, 2/26/98 [DPA].

HOUSE COMMITTEE ON TRANSPORTATION POLICY & BUDGET

Majority Report: Do pass as amended. Signed by 25 members: Representatives K. Schmidt, Chairman; Hankins, Vice Chairman; Mielke, Vice Chairman; Mitchell, Vice Chairman; Fisher, Ranking Minority Member; Cooper, Assistant Ranking Minority Member; Backlund; Buck; Constantine; DeBolt; Gardner; Hatfield; Johnson; McCune; Murray; O'Brien; Ogden; Radcliff; Robertson; Romero; Scott; Skinner; Sterk; Wood and Zellinsky.

Staff: Jennifer Hanlon (786-7316).

Background: The Department of Transportation (DOT) construction contracting procedure requires the department to award the contract for the design phase prior to contracting for the construction phase. The DOT does not currently have authority to use the design-build method of contracting. Design-build authority would allow the DOT to enter into a single contract with the design-build contractor. The contractual responsibility to the state for full performance of all phases of the contract would be vested in the design-build contractor. Proponents of the design-build method maintain that this procedure facilitates construction of capital projects in a manner that is more timely and efficient than awarding the design and construction contracts separately.

Summary of Amended Bill: The DOT must develop a process for awarding competitively bid highway construction contracts using a design-build procedure. The process must include the scope of services required under the design-build procedure,

contractor prequalification requirements, criteria for evaluating technical information and project costs, contractor selection criteria, and an issue resolution process. In developing this process, the DOT must comply with the public notice and comment requirements of the Alternative Public Works statutes.

The DOT selects two demonstration projects. The projects must be normally valued over \$10 million. The projects must also involve highly specialized construction activities, provide an opportunity for greater innovation, or provide an opportunity for significant savings in time. The department must present progress reports to the Legislative Transportation Committee and the Alternative Public Works Oversight Committee, as well as a final report within one year of completion of the projects. The report must outline the advantages and disadvantages of the design-build process and make recommendations for possible changes in the law.

Sureties are not responsible for damages resulting from the design phase of the project.

This act expires on April 30, 2001.

Amended Bill Compared to Substitute Bill: The DOT must comply with the public notice and comment requirements of the Alternative Public Works statutes. Sureties are not responsible for the damages resulting from the design phase of the project.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: Design-build contracting is an effective alternative delivery process, although the DOT does not intend to use it as a standard way of doing business. Design-build is rapidly growing as an accepted method of contracting.

Testimony Against: None.

Testified: John Conrad, DOT; Larry Stevens, Contractors Bonding & Insurance Company (pro w/amendments); Duke Schaub, Associated General Contractors of Washington; and Cliff Webster, Architects & Engineers Legislative Council.