

# HOUSE BILL REPORT

## SHB 1072

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### As Passed House:

March 9, 1999

**Title:** An act relating to financial information and building systems for the alternative public works process.

**Brief Description:** Exempting certain proprietary financial information from public inspection.

**Sponsors:** By House Committee on State Government (Originally sponsored by Representatives Romero and D. Schmidt; by request of Alternative Public Works Methods Oversight Committee).

### Brief History:

#### Committee Activity:

State Government: 1/26/99, 2/24/99 [DPS].

#### Floor Activity:

Passed House: 3/9/99, 95-0.

### Brief Summary of Substitute Bill

- Allows contracts for the design, fabrication, and installation of building engineering systems of any cost to be let using the "design-build" alternative public works procedure.

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## HOUSE COMMITTEE ON STATE GOVERNMENT

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives McMorris, Republican Co-Chair; Romero, Democratic Co-Chair; Campbell, Republican Vice Chair; Miloscia, Democratic Vice Chair; Dunshee; Haigh; Lambert and D. Schmidt.

**Staff:** Steve Lundin (786-7127).

### Background:

Several different state agencies and local governments have been authorized to use alternative public works contracting procedures to award contracts on certain public works contracts of a very large dollar value. One alternative procedure is the design-build procedure. Another alternative procedure is the general contractor/construction manager procedure. Authority to use these alternative procedures terminates on July 1, 2001.

The design-build procedure is used to award a contract to a party for both the design and construction of a public facility or portion of a public facility and involves the following steps:

- o Publishing a notice announcing that the procedure will be used, with opportunity for public comments.
- o Publishing a notice calling for proposals on design-build services that includes a description of the project, various requirements and details, and a description of the process and relative weight of factors that will be used to evaluate proposals.
- o Creation of a committee to evaluate bid proposals. The committee selects between three and five finalists to submit best and final proposals.
- o Awarding a contract by either: (1) Negotiating with the firm submitting the highest scored best and final proposal to execute a contract or, if an agreement is not reached, then the firm with next highest scored best and final proposal; or (2) if all finalists are capable of producing plans and specifications meeting project requirements, selecting the responsible best and final proposal with the lowest price.

The Department of General Administration, University of Washington, Washington State University, every county with a population greater than 450,000 (King, Pierce, and Snohomish Counties), every city with a population greater than 150,000 (Seattle, Tacoma, and Spokane), and any port district with a population greater than 500,000 (Port of Seattle, and Port of Tacoma) may use the design-build process on any project with an estimated cost of \$10 million or more. In addition, those entities may also use the design-build process on new student housing projects of over \$5 million in estimated cost and the construction of preengineered metal buildings or prefabricated modular buildings of any cost.

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**Summary of Bill:**

The design-build alternative public works procedure may be used by eligible government entities to award contracts for the design, fabrication, and installation of building engineering systems of any cost.

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**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** (Original bill) It is important to safeguard this information. Financial information provided by contractors on ferry projects and highway projects is afforded similar safeguards. The extension of the design-build procedures to prefabricated building engineering systems will speed projects.

**Testimony Against:** (Original bill) Precluding disclosure of financial information is of great concern to the public.

**Testified:** (In favor original bill) Doug Holen, University of Washington, Alternative Public Works Methods Oversight Committee.

(Concerns with original bill) Roland Thompson, Allied Daily Newspaper of Washington.