

# HOUSE BILL REPORT

## SHB 1680

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### As Amended by the Senate

**Title:** An act relating to design-build procedures for public works.

**Brief Description:** Extending design-build for public works.

**Sponsors:** By House Committee on Transportation (originally sponsored by Representatives Fisher, Mitchell and Poulsen; by request of The Blue Ribbon Commission on Transportation).

**Brief History:**

**Committee Activity:**

Transportation: 1/31/01, 2/13/01 [DPS].

**Floor Activity:**

Passed House: 3/9/01, 90-8.

Senate Amended.

Passed Senate: 4/4/01, 48-0.

House Refused to Concur.

Senate Receded.

Senate Amended.

Passed Senate: 4/20/01, 44-0.

### Brief Summary of Substitute Bill

- The Department of Transportation (DOT) is authorized to utilize the design-build process and other alternative project delivery concepts in projects costing over \$10 million.
- The section creating two DOT pilot projects is repealed.
- The DOT is not required to use the request for proposal process used by other entities.
- The sunset date is extended to April 30, 2008.

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### HOUSE COMMITTEE ON TRANSPORTATION

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do

pass. Signed by 26 members: Representatives Fisher, Democratic Co-Chair; Mitchell, Republican Co-Chair; Cooper, Democratic Vice Chair; Ericksen, Republican Vice Chair; Hankins, Republican Vice Chair; Lovick, Democratic Vice Chair; Ahern, Anderson, G. Chandler, Edmonds, Haigh, Hatfield, Hurst, Jarrett, Marine, Mielke, Morell, Murray, Ogden, Romero, Schindler, Simpson, Skinner, Sump, Wood and Woods.

**Minority Report:** Without recommendation. Signed by 1 member: Representative Armstrong.

**Staff:** Penny Nerup (786-7335).

**Background:**

In December 1996 the Department of Transportation (DOT) created an in-house task force to investigate the use of design-build (D-B) contracting for DOT projects. In 1998 the Legislature granted the DOT statutory authority to use D-B contracting on two pilot projects, each of which had to cost over \$10 million. The DOT was also required to present a detailed report to the Legislative Transportation Committee within one year of completion of the pilot projects.

The law required the DOT to develop criteria for use of the D-B process, which had to include the scope of services, contractor pre-qualification requirements, evaluation criteria, and a dispute resolution procedure.

Further, any request for proposal used had to fulfill the requirements used by higher education, cities, counties, and port districts in their D-B contracting. These contracting provisions sunset on June 30, 2001.

The D-B law sunsets on April 30, 2001.

The Blue Ribbon Commission on Transportation recommended that the Legislature grant statutory authority to transportation agencies to use design-build techniques and other alternative delivery concepts, such as design-build-operate, design-build-operate-own, design-build-operate-transfer, and general contractor/construction management.

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**Summary of Bill:**

The DOT is authorized to utilize the D-B process and other alternative project delivery concepts in projects costing over \$10 million. The DOT is required to select projects based upon either greater innovation, highly specialized construction activities, or significant savings in project delivery time.

The DOT is not required to utilize the request for proposal process used by higher

education, cities, counties, and port districts.

The section creating two DOT pilot projects is repealed.

The sunset date is extended to April 30, 2008.

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**EFFECT OF SENATE AMENDMENT(S):**

Design-build can be used for design and construction of auto ferries through use of a detailed request for proposal process.

**Appropriation:** None.

**Fiscal Note:** Not Requested.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.

**Testimony For:** This is an innovative and time-saving process for projects. The DOT should be allowed to try this process to see how it works.

**Testimony Against:** No evidence that D-B saves money. Small contractors would be left out of the bidding process.

**Testified:** (In support) Doug Hurley, Blue Ribbon Commission on Transportation; Ashley Probart, Association of Washington Cities; Jackie White, Washington State Association of Counties; and Brian Ziegler, Washington State Department of Transportation.

(In support with concerns) Duke Schuab, Associated General Contractors.

(Opposed) Mel Sorensen, Contractor's Bonding and Insurance Co.; and David Ducharme, Utility Contractors Association of Washington.