

SENATE BILL REPORT

SSB 6597

As Passed Senate, February 18, 2002

Title: An act relating to alternative public works contracting procedures.

Brief Description: Authorizing additional school district capital demonstration projects.

Sponsors: Senate Committee on State & Local Government (originally sponsored by Senators Winsley, Gardner, Kohl-Welles, B. Sheldon and Keiser).

Brief History:

Committee Activity: State & Local Government: 2/4/02, 2/7/02 [DPS].
Passed Senate: 2/18/02, 48-0.

SENATE COMMITTEE ON STATE & LOCAL GOVERNMENT

Majority Report: That Substitute Senate Bill No. 6597 be substituted therefor, and the substitute bill do pass.

Signed by Senators Gardner, Chair; Fairley, Vice Chair; Hale, Haugen, Horn, Keiser, Kline, McCaslin, Roach, T. Sheldon and Swecker.

Staff: Eugene Green (786-7405)

Background: Differing procedures are established for state agencies and various local governments to award contracts for public works projects.

Several state agencies and local governments have been authorized to use alternative public works contracting procedures to award contracts on certain public works with a value over \$12 million. One alternative procedure is the "design-build" procedure. Another alternative procedure is the "general contractor/construction manager" (GCCM) procedure. Authority to use these alternative public works contracting procedures terminates July 1, 2007.

The GCCM procedure is a multi-step competitive process to award a contract for a single firm to provide services during the design phase, as well as acting as both the construction manager and general contractor during the construction phase, for a public facility that meets specified criteria. The design-build procedure is a multi-step competitive process to award a contract for a single firm to design and construct a public facility or portion of a public facility that meets specified criteria.

The Department of General Administration, the University of Washington, the Washington State University, every county with a population greater than 450,000, every city with a population greater than 70,000, any port district with revenues greater than \$15 million per year, any public utility district with revenues greater than \$23 million per year, and any public authority chartered by a city are authorized to use these procedures.

In addition, the School District Project Review Board (Board) may authorize two demonstration projects valued over \$10 million and two demonstration projects valued between \$5 and \$10 million. The Board may not approve more than one demonstration project for each school district.

Summary of Bill: The design-build procedure and the GCCM procedure may be used for public works projects valued over \$10 million.

The School Project Review Board may authorize up to ten demonstration projects valued over \$5 million, of which at least two demonstration projects must be valued between \$5 and \$10 million.

More than one demonstration project may be approved for each school district.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: The School District Project Review Board considers the three pilot projects awarded to date a success at this time. More school districts would like to apply to the board for approval. The board is being very selective in its approval of applications.

Testimony Against: We feel that leaving the threshold at \$12 million allows more small and medium-sized contractors to compete.

Testified: Pete Wall, Tacoma School District (pro); Charlie Brown, Seattle School District, King County School Coalition (pro); Duke Schaub, AGC-Wash (pro); Jim Cooper, OSPI/SBE (pro).