

HOUSE BILL REPORT

SSB 5520

As Reported by House Committee On:
Transportation

Title: An act relating to authorizing the ferry system to use alternative public works contracting procedures.

Brief Description: Authorizing the ferry system to use alternative public works contracting procedures.

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

Brief History:

Committee Activity:

Transportation: 3/27/03, 4/3/03 [DPA].

Brief Summary of Substitute Bill
(As Amended by House Committee)

- Allows the Washington State Ferries access to alternative public works contracting procedures; more specifically the "general contractor/construction manager" contracting procedure for large capital projects.
- Limits use of these procedures to terminals and other land-based facilities.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass as amended. Signed by 28 members: Representatives Murray, Chair; Rockefeller, Vice Chair; Simpson, Vice Chair; Ericksen, Ranking Minority Member; Jarrett, Assistant Ranking Minority Member; Anderson, Armstrong, Bailey, Campbell, Clibborn, Cooper, Dickerson, Edwards, Flannigan, Hankins, Hatfield, Hudgins, Kristiansen, Lovick, Mielke, Morris, Nixon, Romero, Schindler, Shabro, Sullivan, Wood and Woods.

Staff: Jay Alexander (786-7339).

Background:

Alternative public works contracting procedures are allowable to certain, authorized

entities when awarding contracts on public works until July 1, 2007. The two allowed procedures are the "design-build" and "general contractor/construction manager" (GCCM) procedures. 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 certain criteria. The GCCM procedure is a multi-step competitive process to award a contract for a single firm to provide services during the design phase of a public works project, that meets certain criteria, as well as acting as both the construction manager and general contractor during the construction phase of the project. The contractor guarantees the project budget, or maximum allowable construction costs.

The specific entities currently authorized to use alternative public works contracting procedures include the Department of General Administration; the University of Washington; Washington State University; every city with a population greater than 70,000 and any public authority chartered by such city, meeting certain criteria; every county with a population greater than 450,000; every port district with total revenues greater than \$15 million per year; every public utility district with revenues from energy sales greater than \$23 million per year; and school districts proposing projects that are considered and approved by the school district project review board under RCW 39.10.115.

The Department of Transportation currently has the authority to enter into design-build contracts for highway and ferry construction projects. The authority was granted to the department in Chapter 226, Laws of 2001. This authority expires April 30, 2008.

Summary of Amended Bill:

The Department of Transportation State Ferry system is added to the state and local entities authorized to participate in alternative public works contracting procedures as outlined in RCW 39.10.

The State Ferry system is authorized to utilize design-build and GCCM contracting procedures on ferry terminal projects.

Amended Bill Compared to Substitute Bill:

The amended bill adds the requirement that the state ferry system complete a Request For Proposal (RFP) process to identify and possibly select public or private partnerships prior to using the alternative public works contracting procedures to construct, reconstruct, or improve ferry terminal facilities. Responses to the RFP are evaluated on the basis of compatibility with the ferry system's core business, the potential to maximize non-farebox revenue, longevity of the possible partnership commitment, and the benefit to the public users of the ferry system facilities. Partnerships are not required to move forward with

the construction project.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: Provides multiple benefits to the construction process, including: a quicker process; more accountability; greater flexibility; improved cost certainty; and improved on-time delivery.

Testimony Against: None.

Testified: Russ East, Washington State Ferries.