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**State Government Committee**

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**HB 1567**

**Brief Description:** Allowing counties with a population greater than two hundred thousand to use alternate public works contracting.

**Sponsors:** Representatives Alexander, Romero, Clements, DeBolt, Skinner, Hunt, Rockefeller, Eickmeyer, Woods, Haigh, Chandler, Newhouse and McMahan.

**Brief Summary of Bill**

- Lowers the minimum population requirement for counties to use the alternative public works contracting procedures from 450,000 people to 200,000 people.

**Hearing Date:** 2/11/03

**Staff:** Katie Blinn (786-7114).

**Background:**

Public works projects include construction, building, renovation, remodeling, alteration, repair or improvement of real property. The method by which contracts for public works projects are awarded is based on the estimated cost of the project and the size of the public entity.

Several state agencies and local governments are authorized to use the alternative public works contracting procedures to award contracts over \$10 million. One procedure is the "design-build" procedure and the other is the "general contractor/construction manager" (GCCM) procedure. The following government entities are eligible to use either procedure:

- Department of General Administration;
- University of Washington;
- Washington State University;
- cities with over 70,000 people and public authorities chartered by those cities;
- counties with over 450,000 people;
- public utility districts with revenues from energy sales over \$23 million per year; and
- port districts with total revenues over \$15 million per year.

The government entity must include a number of details in the request for proposals, such as

a detailed description of the project, the reasons for using the design-build or GCCM procedure, a description of the qualifications required of the bidder firm, a description of the process the government entity will use to evaluate the proposals, and the form of the contract.

The design-build procedure is a multi-step competitive process to award a contract to a single firm that agrees to both design and build a public facility that meets specific criteria. The contract is awarded following a public request of proposals for design-build services. Following extensive evaluation of the proposals, the contract is awarded to the firm that submits the best and final proposal with the lowest price.

Under the GCCM procedure, a contract is awarded to a single firm for a guaranteed construction cost after competitive selection. The contract is to provide services during the design phase, and to act as both the construction manager and the general contractor during the construction phase. Use of the GCCM procedure requires that the project meet specified criteria, such as the success of the project necessitates involvement of the GCCM during the design stage. Following an extensive evaluation process, the government entity must award the contract to the firm that submits the final proposal scoring the highest based on outlined evaluation factors. The maximum construction cost guaranteed by the GCCM is negotiated between the parties after the scope of the project is adequately determined.

The alternative public works contracting procedures expire July 1, 2007.

**Summary of Bill:**

The minimum population requirement for counties to be eligible to use the alternative public works contracting procedures is lowered from 450,000 people to 200,000 people.

**Appropriation:** None.

**Fiscal Note:** Not Requested.

**Effective Date:** The bill takes effect ninety days after adjournment of session in which bill is passed.