
ENGROSSED SUBSTITUTE HOUSE BILL 1830

State of Washington

59th Legislature

2005 Regular Session

By House Committee on State Government Operations & Accountability
(originally sponsored by Representatives Hunt, Jarrett, Morrell,
McDonald, Pettigrew, Hasegawa, Eickmeyer, Clibborn, Simpson and Ericks)

READ FIRST TIME 03/07/05.

1 AN ACT Relating to alternative public works contracting procedures;
2 adding new sections to chapter 39.10 RCW; and creating a new section.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 39.10 RCW
5 to read as follows:

6 (1) The capital projects review board is created in the office of
7 financial management to provide ongoing oversight and evaluation of
8 public capital projects construction processes, including the impact of
9 contracting methods on project outcomes, and to advise the legislature
10 on policies related to major public works delivery methods.

11 (2)(a) The capital projects review board shall consist of the
12 following members appointed by the governor: One representative from
13 construction general contracting; one representative from the design
14 industries; two representatives from construction specialty
15 subcontracting; one representative from a construction trades labor
16 organization; one representative from a city; one representative from
17 a county; one representative from the office of minority and women's
18 business enterprises; one representative from a higher education
19 institution; one representative from the department of general

1 administration; and one representative of a domestic insurer authorized
2 to write surety bonds for contractors in Washington state. All
3 appointed members must be actively engaged in or authorized to use
4 alternative public works contracting procedures.

5 (b) One member shall be a member of the public hospital district
6 project review board, selected by that board, who shall be nonvoting.

7 (c) One member shall be a member of the school district project
8 review board, selected by that board, who shall be nonvoting.

9 (d) The executive officer of the review board, as named in
10 subsection (10) of this section, shall serve as a nonvoting member.

11 (e) The review board shall include two members of the house of
12 representatives, one from each major caucus, appointed by the speaker
13 of the house of representatives, and two members of the senate, one
14 from each major caucus, appointed by the president of the senate.
15 Legislative members are nonvoting.

16 (3) Members selected under subsection (2)(a) of this section shall
17 serve for terms of four years, with the terms expiring on June 30th on
18 the fourth year of the term. However, in the case of the initial
19 members, four members shall serve four-year terms, four members shall
20 serve three-year terms, and three members shall serve a two-year term,
21 with each of the terms expiring on June 30th of the applicable year.
22 Appointees may be reappointed to serve more than one term.

23 (4) The capital projects review board chair is selected from among
24 the appointed members by the majority vote of the voting members.

25 (5) The capital projects review board may adopt rules as necessary
26 to carry out the duties set forth in this act.

27 (6) Legislative members of the capital projects review board shall
28 be reimbursed for travel expenses in accordance with RCW 44.04.120.
29 Nonlegislative members of the capital projects review board, including
30 any subcommittee members, except those representing an employer or
31 organization, shall be reimbursed for travel expenses as provided in
32 RCW 43.03.050 and 43.03.060.

33 (7) If a vacancy occurs of the appointive members of the board, the
34 governor shall fill the vacancy for the unexpired term. Members of the
35 board may be removed for malfeasance or misfeasance in office, upon
36 specific written charges by the governor, under chapter 34.05 RCW.

37 (8) The capital projects review board shall convene as soon as

1 practical after July 1, 2005, and may meet as often as necessary
2 thereafter.

3 (9) Capital projects review board members are expected to
4 consistently attend review board meetings. The chair of the capital
5 projects review board may ask the governor to remove any member who
6 misses more than two meetings in any calendar year without cause.

7 (10) The office of financial management shall employ a director of
8 the review board. The director shall be the executive officer of the
9 review board and shall administer the provisions of this act. The
10 office of financial management shall provide additional staff support
11 as may be required for the proper discharge of the function of the
12 capital projects review board.

13 (11) The capital projects review board may establish subcommittees
14 as it desires and may invite nonmembers of the capital projects review
15 board to serve as committee members.

16 (a) The school district project review board shall be a
17 subcommittee of the capital projects review board and shall approve
18 projects as outlined in RCW 39.10.115.

19 (b) The public hospital district project review board shall be a
20 subcommittee of the capital projects review board and shall approve
21 projects as outlined in RCW 39.10.117.

22 (12) The committee shall encourage participation from persons and
23 entities not represented on the capital projects review board.

24 (13) For purposes of this act, major capital projects are projects
25 estimated to cost over five million dollars.

26 NEW SECTION. **Sec. 2.** A new section is added to chapter 39.10 RCW
27 to read as follows:

28 The capital projects review board has the following powers and
29 duties:

30 (1) Provide ongoing analysis and evaluation of the use of the
31 traditional public works procedures and alternative public works
32 contracting procedures authorized under this chapter and evaluate the
33 potential future use of other alternative contracting procedures;

34 (2) Ensure that consistent, reliable, and standardized project
35 information is gathered and used to analyze the impact of contracting
36 policies on the outcome of major capital projects. The review board
37 shall, in consultation with the office of financial management, develop

1 standardized statewide performance indicators and benchmarks for all
2 major capital projects. These measures should, at a minimum, allow
3 basic comparisons of project performance by type, scope, cost,
4 schedule, quality, and contracting procedure. To avoid unnecessary
5 duplication, use of these indicators and benchmarks should be
6 incorporated into, or derived from, existing state and local agency
7 reports to the greatest extent possible;

8 (3) Establish criteria that may be used to determine effective and
9 feasible use of alternative contracting procedures;

10 (4) Develop and recommend to the legislature qualification
11 standards for general contractors bidding on alternative public works
12 projects;

13 (5) Develop and recommend to the legislature policies to further
14 enhance the quality, efficiency, and accountability of major capital
15 construction projects through the use of traditional and alternative
16 delivery methods in Washington, and make recommendations regarding
17 expansion, continuation, elimination, or modification of the
18 alternative public works contracting methods;

19 (6) Public bodies using the alternative contracting procedures
20 authorized under this chapter shall provide any requested information
21 concerning implementation of projects under this chapter to the
22 committee in a timely manner, excepting any trade secrets or
23 proprietary information;

24 (7) Encourage the transfer of knowledge through formal or informal
25 mentoring opportunities and the development of model documents or
26 guidelines that incorporate lessons learned from previous state and
27 local projects; and

28 (8) Periodically assess the use of alternative dispute resolution
29 processes in public works projects to determine their effectiveness at
30 resolving conflicts and disputes before they reach litigation and, if
31 necessary, recommend to the legislature modifications of state policy.
32 The review board may work with public and private dispute resolution
33 organizations to inform agencies about effective methods of
34 incorporating dispute resolution mechanisms into their public works
35 projects.

36 NEW SECTION. **Sec. 3.** If specific funding for the purposes of this

1 act, referencing this act by bill or chapter number, is not provided by
2 June 30, 2005, in the omnibus appropriations act, this act is null and
3 void.

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