

FINAL BILL REPORT

SHB 2378

C 481 L 07

Synopsis as Enacted

Brief Description: Expediting new vessel construction for Washington state ferries.

Sponsors: By House Committee on Transportation (originally sponsored by Representatives Flannigan, Jarrett, Clibborn, Eddy, Seaquist and Roberts).

House Committee on Transportation
Senate Committee on EnterCommittee

Background:

The design-build ferry procurement process is divided into three phases. To begin the process, the Department of Transportation (DOT) issues a notice of intent to submit a request for proposal (RFP).

In phase one, the DOT evaluates and selects pre-qualified proposers to participate in development of technical proposals. The DOT rules outline pre-qualification requirements, which include both a technical and financial test. In phase two, qualified proposers prepare technical proposals in consultation with the DOT, sufficient to generate a firm, fixed price bid to the DOT. Phase three includes the submission and evaluation of bids, award of the contract, and design and construction of the automobile ferries.

In order to be considered, bids must conform with the technical proposals submitted in phase two and proposers must have qualified through phase two. The DOT may select the lowest total bid price and award the contract or reject any or all of the bids, republish the RFP, or revise or cancel the RFP. The DOT may provide an honorarium to reimburse each unsuccessful phase three proposer for a portion of its technical proposal preparation costs.

Summary:

The Legislature finds that the Washington State Ferries has commenced a vessel procurement process to replace older and outdated vessels and that this process must move forward with all speed. The commencement of construction is determined to be important for safety reasons as well as for sustaining the region's ship construction and preservation capacity.

The DOT is authorized to consider and accept or reject a single proposal jointly submitted by the qualified proposers. The DOT is also authorized to make revisions to the RFP, and pay an honorarium to a proposer or proposers with whom the DOT engages in unsuccessful negotiations.

The qualified proposers are authorized to meet and confer regarding matters reasonably related to submitting a single proposal and implementing a final contract. The proposers are required

to declare their intent to submit a proposal within 30 days of the effective date of this act and provide any information required by the DOT. If at the end of the 30-day period the proposers have not declared their intent and provided the required information or the DOT has determined that the proposers' plan is unacceptable, no further discussions between the proposers are allowed.

The provisions related to ferry vessel procurement through the design-build process are modified to allow for the negotiation of a contract if there is only a single qualified proposer or proposal. The DOT is also authorized to negotiate incentives and cost-sharing provisions with the proposer.

The DOT is required to submit a copy of the contract, along with the negotiated price, to the Office of Financial Management 10 days prior to the execution of the contract. If the negotiated price is higher than the adopted expenditure plan for vessel construction, the DOT may not execute the contract until the Legislature reviews the proposal and adjusts the expenditure plan.

If the DOT and the proposer or joint proposers are not able to reach an agreement, the DOT may republish, revise, or cancel the RFP process.

Votes on Final Passage:

House	91	6
Senate	45	0

Effective: May 14, 2007