

HOUSE BILL REPORT

HB 1288

As Reported by House Committee On:
Transportation

Title: An act relating to the construction of a state boundary bridge.

Brief Description: Concerning the construction of a state boundary bridge.

Sponsors: Representatives Moeller, Clibborn, Liias and Roberts.

Brief History:

Committee Activity:

Transportation: 1/29/13, 2/13/13 [DPS].

Brief Summary of Substitute Bill

- Requires the Washington State Department of Transportation (WSDOT) to assign steel fabrication inspector travel costs for state boundary bridge projects to the project contractor when elements of the project are fabricated more than 300 miles from Olympia.
- Creates a formula for determining the reduction in payment to the contractor if it is impracticable and difficult to ascertain the increase in cost to the WSDOT for steel fabrication inspections.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 17 members: Representatives Clibborn, Chair; Fey, Vice Chair; Liias, Vice Chair; Moscoso, Vice Chair; Bergquist, Farrell, Fitzgibbon, Freeman, Habib, Moeller, Morris, Riccelli, Ryu, Sells, Takko, Tarleton and Upthegrove.

Minority Report: Do not pass. Signed by 11 members: Representatives Orcutt, Ranking Minority Member; Hargrove, Assistant Ranking Minority Member; Overstreet, Assistant Ranking Minority Member; Hayes, Johnson, Klippert, Kochmar, Kristiansen, O'Ban, Shea and Zeiger.

Staff: David Munnecke (786-7315).

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Background:

The Interstate 5 (I-5) Bridge crosses the Columbia River and connects Vancouver, Washington, and Portland, Oregon, with two identical bridge structures. One bridge structure carries traffic northbound to Vancouver, and the other bridge structure carries traffic southbound to Portland. The northbound bridge was built in 1917, and the southbound bridge was built in 1958. The Columbia River Crossing (CRC) Project, as described in the record of decision, will replace the I-5 bridges, extend light rail to Vancouver, improve closely spaced interchanges, and enhance the pedestrian and bicycle paths.

The estimated project costs range from \$3.1 billion to \$3.5 billion, but the total cost of the CRC Project has been capped at \$3.413 billion. The estimated quantity of fabricated structural steel for the two river-crossing bridges is 35,000 tons.

The Washington State Department of Transportation (WSDOT) charges for fabrication inspections for all departmental projects on a cost-per-inspection basis. The inspection costs are broken down into three zones:

- within 300 airline miles from Seattle no charges are made to the contractor and all fabrication inspection costs are paid by the WSDOT;
- between 300 and 3,000 airline miles from Seattle the contractor is charged \$700 per inspection day; and
- over 3,000 airline miles from Seattle the contractor is charged \$1,000 per inspection day, but not less than \$2,500 per trip.

Summary of Substitute Bill:

The WSDOT is required to assign steel fabrication inspector travel costs for state boundary bridge projects to the project contractor when elements of the project are fabricated more than 300 miles from Olympia. A formula is provided for determining the reduction in payment to the contractor if it is impracticable and difficult to ascertain the increase in cost to the WSDOT for steel fabrication inspections. If a fabrication site is more than 300 miles from Olympia, the payment to the contractor must be reduced by the greater of either \$5,000 or 5 cents per pound of structural steel. If a fabrication site is more than 3,000 miles from Olympia, the payment to the contractor must be reduced by the greater of either \$8,000 or 7 cents per pound of structural steel.

Substitute Bill Compared to Original Bill:

The required reduction in payment to the contractor for fabrication sites more than 300 miles from Olympia is limited to sites that are not more than 3,000 miles from Olympia.

Appropriation: None.**Fiscal Note:** Available.

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

Staff Summary of Public Testimony:

(In support) This bill tells contractors to buy the steel for a project in the Northwest, and thus keep the jobs associated with making that steel in the Northwest. A similar bill was heard in the Senate two years ago. The language has been approved by the WSDOT, and a similar law is already in place in Oregon.

The bill would not interfere with federal "Buy American" provisions, and would protect the many potential suppliers that are located in Oregon and Washington. There are 23 steel fabricators located in the area closest to the CRC Project, employing more than 900 iron workers.

The WSDOT and the contractors have already agreed to this, and it is standard in the industry. There are loopholes in the federal "Buy American" laws that sometimes allow work on steel to be done outside the country. This bill does not ignore the facts and the costs, but support needs to be given to local business and local jobs.

(Opposed) None.

Persons Testifying: Representative Moeller, prime sponsor; and Rick Jensen and Ron Piksa, Iron Workers District Council of the Pacific Northwest.

Persons Signed In To Testify But Not Testifying: None.