
Transportation Committee

HB 1986

Brief Description: Requiring the reporting of highway construction project errors.

Sponsors: Representatives O'Ban, Rodne, Magendanz, Zeiger, Kristiansen, Klippert and Hayes.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Requires the Washington State Department of Transportation to submit a report to the Legislature on engineering errors in excess of \$500,000.
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Hearing Date: 3/18/13

Staff: Alyssa Ball (786-7140).

Background:

A change order happens when the Washington State Department of Transportation (WSDOT) determines it is necessary to make a change to a contract during the performance of the contract. Typically, change orders are initiated in the following circumstances: (1) as a response to unexpected conditions; (2) if there are plan deficiencies, such as errors or omissions; (3) extra or unanticipated necessary work is required; or (4) there are design criteria changes. There is a detailed change order process that the WSDOT must follow outlined in the WSDOT Construction Change Order Process Guide manual. This manual includes provisions on contracting implications, negotiating agreed prices and timing, required documentation, and so forth.

The WSDOT differentiates between minor and major change orders. A minor change is defined as a change value of \$15,000 or less, or any change in working days of 10 days or less, whereas a major change is defined as variations in quantity up to 25 percent above or below proposal quantities. Minor changes follow the regular change order process outlined in the manual. In the case of major overruns, renegotiation of price is available to either party and only units measured in excess of 125 percent of the proposal quantity are eligible for renegotiation.

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.

There is currently no statutory requirement that the WSDOT report errors.

Summary of Bill:

The WSDOT is required to submit a report to the Legislature detailing engineering errors on highway construction projects resulting in errors in excess of \$500,000. The report must include how the error happened, who was responsible, and what disciplinary action was taken. Additionally, if the error is greater than \$1 million, the report must also include why the responsible employee(s) were not terminated and what action the Secretary recommends to avoid similar errors. The Legislature is authorized to take additional correctional action if necessary.

Appropriation: None.

Fiscal Note: Available.

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