

HOUSE BILL REPORT

ESHB 2012

As Passed House:
June 29, 2015

Title: An act relating to the department of transportation implementation of practical design.

Brief Description: Concerning the implementation of practical design by the department of transportation.

Sponsors: House Committee on Transportation (originally sponsored by Representatives Orcutt, Clibborn, Hargrove, Hayes, Pike, Zeiger, Muri and Wilson).

Brief History:

Committee Activity:

Transportation: 2/18/15, 2/24/15 [DPS].

Floor Activity:

Passed House: 3/9/15, 97-0.

Third Special Session

Floor Activity:

Passed House: 6/29/15, 98-0.

Brief Summary of Engrossed Substitute Bill

- Encourages the Washington state department of transportation (WSDOT) to continue to apply practical design in project delivery and specifies that the legislature expects practical design to result in reduced project costs.
- Requires that significant changes to project title or scope as a result of practical design be approved by the legislature and requires that local governments and interested stakeholders review all proposed practical design changes prior to implementation.
- Requires the WSDOT to notify the transportation committees of the legislature prior to letting any contract with a title or scope change.
- Specifies that the WSDOT must evaluate projects at the end of the project design phase and determine practical design savings and report on the savings as part of its annual budget submittal.
- Designates that savings attributable to practical design must be made available through the transportation future funding program for new connecting Washington projects, accelerating the schedule for existing

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connecting Washington projects, and preservation investments beginning in fiscal year 2024.

- Allows the transportation future funding program to be used to accelerate the schedule of existing connecting Washington projects.
- Creates a new subaccount in the connecting Washington account called the transportation future funding program account and specifies that moneys in the account may not be expended on the SR 99 Alaskan Way viaduct replacement project.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 22 members: Representatives Clibborn, Chair; Farrell, Vice Chair; Fey, Vice Chair; Moscoso, Vice Chair; Orcutt, Ranking Minority Member; Bergquist, Harmsworth, Hayes, Kochmar, McBride, Moeller, Morris, Ortiz-Self, Pike, Rodne, Sells, Shea, Takko, Tarleton, Wilson, Young and Zeiger.

Staff: Alyssa Ball (786-7140).

Background:

The Washington State Department of Transportation (WSDOT) defines practical design as an approach for project decisions that focuses on the need for the project and looks for cost-effective solutions. It engages local stakeholders at the earliest stages of defining scope to ensure their input is included at the beginning stage of project design. Practical design implementation is part of the WSDOT's current agency-wide reforms plan. Engrossed Substitute Senate Bill 6001 directs the WSDOT to implement a practical design strategy for transportation design standards and report by June 30, 2015, on where practical design has been applied or is intended to be applied and the cost savings resulting from the use of practical design.

Summary of Engrossed Substitute Bill:

The Washington State Department of Transportation (WSDOT) is encouraged to continue to apply practical design in project delivery. In doing so, it is the expectation of the legislature that practical design will result in reduced project costs. Significant changes to project title or scope due to practical design require legislative approval and the legislature must utilize existing mechanisms and processes to ensure timely approval. Additionally, the WSDOT must notify the transportation committees of the Legislature prior to letting any contract that with a title or scope change.

The WSDOT must evaluate each connecting Washington project to determine savings attributable to practical design. For design-bid-build projects, the evaluation occurs at the end of the design phase and for design-build projects when the project is at 30-percent design. The WSDOT must report on the savings as part of its annual budget submittal. The savings must be made available through the transportation future funding program for new

connecting Washington projects, accelerating the schedule of existing connecting Washington projects, and preservation investments in fiscal year 2024. Beginning in 2024, the department may provide a list of highway improvement projects or preservation investments for potential legislative approval, so long as certain criteria is met.

The transportation future funding program account is created in the connecting Washington account. Moneys in the account may only be spent after appropriation and may only be used for preservation projects, to accelerate the schedule of existing connecting Washington projects, for new connecting Washington projects, and for principal and interest on bonds authorized for the projects. The account may not be appropriated until 2024 and moneys may not be expended on the SR 99 Alaskan Way viaduct replacement project. The account will retain any interest earnings.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony:

(In support) This bill reduces the cost on a lot of projects and makes sure that the project is designed for the community needs. The WSDOT has started applying this, but administrations, directors, and legislatures change, so it is important for this to be in statute. This is one of the four reforms the Washington State Transportation Commission (WSTC) has brought forward. Using practical design is a good way to implement transportation projects. There are reporting requirements because the Legislature wants to make sure the WSDOT is following through.

The WSTC began looking into practical design in 2012 and learned the WSDOT was looking into using practical design. The WSTC applauds the WSDOT for applying practical design and believes it is important that this be codified so the work continues on.

The WSDOT is in strong support of the bill. Practical design is one of several reforms initiated by Secretary Peterson at the WSDOT two years ago. Through practical design, planners and engineers are directed to seek opportunities to avoid cost through using a practical-design approach. Projects may see a reduced or avoided cost through practical design in a variety of ways: reduced construction cost, reduced maintenance and operations cost, or through reduced impact to the environment or the community. As the WSDOT moves towards full integration of practical design, there is an expectation of a diminishing return on the savings due to it becoming the standard practice as projects will be developed from inception using this approach and there will be no over-designed projects with which to compare to show savings.

Pierce County supports this bill and is in favor of practical design. Design is a trade-off process and is not just about money. There are lots of trade-offs being made—community needs, environmental needs, capacity needs, safety needs, and so forth. The reporting mechanism will make all of these trade-offs visible. It is requested to amend this bill slightly

to bring the environmental perspective in more, as it is not mentioned in the bill, but is a large cost driver.

(Opposed) None.

Persons Testifying: Representative Orcutt, prime sponsor; Paul Parker, Washington State Transportation Commission; Allison Camden, Washington State Department of Transportation; and Brian Ziegler, Pierce County.

Persons Signed In To Testify But Not Testifying: None.