HOUSE BILL REPORT HB 1831

As Passed Legislature

Title: An act relating to improving the effectiveness of common school construction.

Brief Description: Requiring adoption of rules for certain construction management techniques.

Sponsors: Representatives Ogden, Thomas, Lantz, Carlson, H. Sommers, Keiser, Dunshee, Lambert, Quall, O'Brien, Cody, Kenney, Dunn, Santos, Schual-Berke, Lovick, Edmonds, Wood, Haigh, Rockefeller, Conway, Stensen, Dickerson, Kessler, Hurst and Esser.

Brief History:

Committee Activity:

Capital Budget: 3/3/99, 3/8/99 [DP]. **Floor Activity:** Passed House: 3/15/99, 93-0. Senate Amended. Passed Senate: 4/13/99, 48-0. House Concurred. Passed Legislature.

Brief Summary of Bill

• Requires school districts to use constructability reviews, value engineering, and building commissioning for school construction projects, and to hire professional construction managers for all school projects.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: Do pass. Signed by 18 members: Representatives Mitchell, Republican Co-Chair; Murray, Democratic Co-Chair; Edmonds, Democratic Vice Chair; Esser, Republican Vice Chair; Alexander; Anderson; Barlean; Bush; Constantine; Dunshee; Hankins; Koster; Lantz; Mastin; Miloscia; O'Brien; Ogden and Schoesler.

Staff: Bill Robinson (786-7140).

Background:

The 1995-97 Capital Budget implemented a pilot project for five school districts to contract with qualified teams to conduct value engineering and constructability review studies on school construction projects to determine the potential advantages and savings associated with these processes. The results of the pilot projects demonstrated that these techniques can increase cost-effectiveness during construction and improve building systems operation during occupancy.

Value engineering is a process of evaluating the design and the components of a building and offering alternative solutions to improve the long-term value of the building. Constructability review has a similar purpose, but it analyzes the details of the design in search of potential difficulties that may arise during the actual construction of the project. Building commissioning is the process of testing all the systems in the building to determine if they are installed and working properly and making the necessary corrections to assure all the building systems are performing efficiently.

Current State Board of Education rules require school districts to perform value engineering on a limited basis. However, the House Task Force on School Construction Financing has recommended that the rules require a more thorough value engineering study and be expanded to include constructability reviews, building commissioning and professional construction managers. In recognition that budget constraints, limited experience and the lack of state financial assistance often cause districts to make do without these long-term cost saving techniques, the Task Force recommended that the additional cost of these construction management techniques be eligible for state matching funds.

Summary of Bill:

The State Board of Education must adopt rules defining and setting qualifications and performance standards for the following construction management techniques: value engineering, constructability review, building commissioning, and construction management. The board must include the cost of these management techniques in the funding of each school construction project at the state matching percentage rate for the district. The board must consider the adequacy of the building management techniques when prioritizing school projects and allocating state funds for those projects.

School districts applying for state assistance for school facilities must use a professional firm to perform value engineering, constructability review, building commissioning and contract or employ a professional construction manager. All recommendations from the value engineering and constructability review process must

be presented to the school board for acceptance or rejection. If a recommendation is rejected, the board must provide a statement about why it was rejected in the application for state assistance. The Office of the Superintendent of Public Instruction must provide consulting services and training information to school districts on the use and benefits of these construction management techniques.

The bill is null and void if funding for the program is not included in the omnibus capital budget.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: These construction management techniques are more important to school districts as building systems are becoming more complex and health issues more critical. They will provide better value to the district, reduce the number of change orders and make the buildings operate more efficiently. Including these costs in the state matching formula will assist small school districts to pay for these services. As districts use these techniques, the margin return will start to decrease and districts should be given the ability to use other more relevant methods in the future.

Testimony Against: None.

Testified: Representative Val Ogden, prime sponsor; Patty Metropulos, Evergreen School District; Michael Currie, Office of Superintendent of Public Instruction; Bob Collard, Lake Washington School District; Grace Yuan, King County School Coalition; Duke Schaub, Association of General Contractors; Cliff Webster, Architects & Engineers Legislative Council; and Craig Curtis, American Institute of Architects.