

CERTIFICATION OF ENROLLMENT

SECOND ENGROSSED SUBSTITUTE SENATE BILL 5997

Chapter 18, Laws of 2015

64th Legislature
2015 3rd Special Session

TRANSPORTATION PROJECT DELIVERY

EFFECTIVE DATE: 7/6/2015

Passed by the Senate June 28, 2015
Yeas 43 Nays 2

PAM ROACH

President of the Senate

Passed by the House June 30, 2015
Yeas 98 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Approved July 6, 2015 3:55 PM

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Hunter G. Goodman, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SECOND ENGROSSED SUBSTITUTE SENATE BILL 5997** as passed by Senate and the House of Representatives on the dates hereon set forth.

HUNTER G. GOODMAN

Deputy Secretary

FILED

July 7, 2015

**Secretary of State
State of Washington**

SECOND ENGROSSED SUBSTITUTE SENATE BILL 5997

Passed Legislature - 2015 3rd Special Session

State of Washington

64th Legislature

2015 Regular Session

By Senate Transportation (originally sponsored by Senators King, Hobbs, Fain, Lias, Litzow, Braun, Schoesler, Parlette, Dammeier, Warnick, Sheldon, O'Ban, Hewitt, Becker, and Brown)

READ FIRST TIME 02/24/15.

1 AN ACT Relating to transportation project delivery; amending RCW
2 47.20.780 and 47.20.785; adding a new section to chapter 47.01 RCW;
3 creating a new section; providing an expiration date; and declaring
4 an emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 47.20.780 and 2007 c 152 s 1 are each amended to
7 read as follows:

8 The department of transportation shall develop a process for
9 awarding competitively bid highway construction contracts for
10 projects over (~~ten~~) two million dollars that may be constructed
11 using a design-build procedure. As used in this section and RCW
12 47.20.785, "design-build procedure" means a method of contracting
13 under which the department of transportation contracts with another
14 party for the party to both design and build the structures,
15 facilities, and other items specified in the contract.

16 The process developed by the department must, at a minimum,
17 include the scope of services required under the design-build
18 procedure, contractor prequalification requirements, criteria for
19 evaluating technical information and project costs, contractor
20 selection criteria, and issue resolution procedures.

1 **Sec. 2.** RCW 47.20.785 and 2006 c 37 s 1 are each amended to read
2 as follows:

3 ~~((1))~~ The department of transportation ~~((may))~~ is authorized
4 and strongly encouraged to use the design-build procedure for public
5 works projects over ~~((ten))~~ two million dollars ~~((where))~~ when:

6 ~~((a))~~ (1) The construction activities are highly specialized
7 and a design-build approach is critical in developing the
8 construction methodology; or

9 ~~((b))~~ (2) The projects selected provide opportunity for greater
10 innovation and efficiencies between the designer and the builder; or

11 ~~((c))~~ (3) Significant savings in project delivery time would be
12 realized.

13 ~~((2) To test the applicability of the design-build procedure on~~
14 ~~smaller projects and specialty projects, the department may conduct~~
15 ~~up to five pilot projects on projects that cost between two and ten~~
16 ~~million dollars. The department shall evaluate these pilot projects~~
17 ~~with respect to cost, time to complete, efficiencies gained, if any,~~
18 ~~and other pertinent information to facilitate analysis regarding the~~
19 ~~further use of the design-build process on projects of this size.))~~

20 NEW SECTION. **Sec. 3.** (1) The joint transportation committee
21 must conduct a design-build contracting review study to examine the
22 department's implementation and use of design-build contracting under
23 RCW 47.20.785.

24 (2) The joint transportation committee must provide a report
25 detailing any recommended changes or improvements that the department
26 of transportation should make to the design-build process in order to
27 maximize cost and schedule efficiencies and ensure that design risk
28 is borne by the appropriate party. The report is due to the
29 transportation committees of the legislature and the governor by
30 December 1, 2016.

31 (3) A panel of experts must be appointed to assist with the
32 study. Membership must include: A consultant selected by the joint
33 transportation committee and at least two nationally recognized
34 experts in the field of design-build project delivery proposed by the
35 consultant, a representative from the association of general
36 contractors, a representative from the American council of
37 engineering companies of Washington, a representative of the
38 professional and technical employees local 17, and a representative
39 from the department of transportation. The consultant must lead the

1 review panel and be responsible for the organization and conduct of
2 the panel and reporting on the process, findings, and recommendations
3 of the panel.

4 (4) This section expires June 30, 2017.

5 NEW SECTION. **Sec. 4.** A new section is added to chapter 47.01
6 RCW to read as follows:

7 (1) The department must develop a construction program business
8 plan that incorporates findings of the report required in section 3
9 of this act and also outlines a sustainable staffing level of state-
10 employed engineering staff, adjusted as necessary by additional
11 sustainable revenue and modeled and optimized to address long-term
12 needs in preservation and improvement programs through multiple
13 biennia.

14 (2) The sustainable staffing level recognizes that it is in the
15 state's interest that periodic increases in workload due to increases
16 in construction funding are best addressed through the use of
17 contract engineering resources in conjunction with limited and
18 flexible augmentations to department staffing levels as necessary for
19 project oversight, accountability, and delivery.

20 (3) To provide the appropriate management oversight and
21 accountability of the use of contracted services, the plan must also
22 make recommendations on the development of a strong owner strategy
23 that addresses state employee training, career development, and
24 competitive compensation.

25 (4) The department must submit the plan to the office of
26 financial management and appropriate committees of the legislature
27 one hundred eighty days after the report in section 3 of this act is
28 completed. The department must submit progress reports on
29 implementation of the plan biennially beginning September 30, 2018,
30 until September 30, 2030. The elements of the plan must include:

31 (a) Sustainable staffing levels to address long-term needs in
32 preservation and improvement programs;

33 (b) Employee recruitment, retention, training, and compensation
34 status;

35 (c) Project delivery methods for design and construction; and

36 (d) A comparison of Washington state to national trends and
37 methods.

38 (5) To assist in the development of the plan, the department must
39 convene an advisory group to be comprised of the following members:

1 (a) One representative of the professional and technical
2 employees local 17 to represent the nonmanagement engineering and
3 technical employees of the department;

4 (b) One member of the managerial engineering and technical staff
5 of the department, who must serve as chair of the advisory group;

6 (c) One member appointed by the American council of engineering
7 companies of Washington to represent the private design industry; and

8 (d) One member appointed by the associated general contractors of
9 Washington to represent the private construction industry.

10 NEW SECTION. **Sec. 5.** This act is necessary for the immediate
11 preservation of the public peace, health, or safety, or support of
12 the state government and its existing public institutions, and takes
13 effect immediately.

Passed by the Senate June 28, 2015.

Passed by the House June 30, 2015.

Approved by the Governor July 6, 2015.

Filed in Office of Secretary of State July 7, 2015.