

ESHB 1830 - S COMM AMD

By Committee on Government Operations & Elections

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 39.10 RCW
4 to read as follows:

5 (1) The capital projects review board is created in the office of
6 financial management to provide ongoing oversight and evaluation of
7 public capital projects construction processes, including the impact of
8 contracting methods on project outcomes, and to advise the legislature
9 on policies related to major public works delivery methods.

10 (2)(a) The capital projects review board shall consist of the
11 following members appointed by the governor: One representative from
12 construction general contracting; one representative from the design
13 industries; two representatives from construction specialty
14 subcontracting; one representative from a construction trades labor
15 organization; one representative from the office of minority and
16 women's business enterprises; one representative from a higher
17 education institution; one representative from the department of
18 general administration; and one representative of a domestic insurer
19 authorized to write surety bonds for contractors in Washington state.
20 All appointed members must be actively engaged in or authorized to use
21 alternative public works contracting procedures.

22 (b) Two members shall be at-large positions representing local
23 public owners. The two at-large positions shall serve on a rotating
24 basis to be determined and appointed by the association of Washington
25 cities, the Washington state association of counties, and the
26 Washington public ports association.

27 (c) One member shall be a member of the public hospital district
28 project review board, selected by that board, who shall be nonvoting.

29 (d) One member shall be a member of the school district project
30 review board, selected by that board, who shall be nonvoting.

1 (e) The executive officer of the review board, as named in
2 subsection (10) of this section, shall serve as a nonvoting member.

3 (f) The review board shall include two members of the house of
4 representatives, one from each major caucus, appointed by the speaker
5 of the house of representatives, and two members of the senate, one
6 from each major caucus, appointed by the president of the senate.
7 Legislative members are nonvoting.

8 (3) Members selected under subsection (2)(a) of this section shall
9 serve for terms of four years, with the terms expiring on June 30th on
10 the fourth year of the term. However, in the case of the initial
11 members, four members shall serve four-year terms, four members shall
12 serve three-year terms, and three members shall serve a two-year term,
13 with each of the terms expiring on June 30th of the applicable year.
14 Appointees may be reappointed to serve more than one term.

15 (4) The capital projects review board chair is selected from among
16 the appointed members by the majority vote of the voting members.

17 (5) The capital projects review board may adopt rules as necessary
18 to carry out the duties set forth in this act.

19 (6) Legislative members of the capital projects review board shall
20 be reimbursed for travel expenses in accordance with RCW 44.04.120.
21 Nonlegislative members of the capital projects review board, including
22 any subcommittee members, except those representing an employer or
23 organization, shall be reimbursed for travel expenses as provided in
24 RCW 43.03.050 and 43.03.060.

25 (7) If a vacancy occurs of the appointive members of the board, the
26 governor shall fill the vacancy for the unexpired term. Members of the
27 board may be removed for malfeasance or misfeasance in office, upon
28 specific written charges by the governor, under chapter 34.05 RCW.

29 (8) The capital projects review board shall convene as soon as
30 practical after July 1, 2005, and may meet as often as necessary
31 thereafter.

32 (9) Capital projects review board members are expected to
33 consistently attend review board meetings. The chair of the capital
34 projects review board may ask the governor to remove any member who
35 misses more than two meetings in any calendar year without cause.

36 (10) The office of financial management shall employ a director of
37 the review board. The director shall be the executive officer of the
38 review board and shall administer the provisions of this act. The

1 office of financial management shall provide additional staff support
2 as may be required for the proper discharge of the function of the
3 capital projects review board.

4 (11) The capital projects review board may establish subcommittees
5 as it desires and may invite nonmembers of the capital projects review
6 board to serve as committee members.

7 (a) The school district project review board shall be a
8 subcommittee of the capital projects review board and shall approve
9 projects as outlined in RCW 39.10.115.

10 (b) The public hospital district project review board shall be a
11 subcommittee of the capital projects review board and shall approve
12 projects as outlined in RCW 39.10.117.

13 (12) The committee shall encourage participation from persons and
14 entities not represented on the capital projects review board.

15 (13) For purposes of this act, major capital projects are projects
16 estimated to cost over five million dollars.

17 NEW SECTION. **Sec. 2.** A new section is added to chapter 39.10 RCW
18 to read as follows:

19 The capital projects review board has the following powers and
20 duties:

21 (1) Provide ongoing analysis and evaluation of the use of the
22 traditional public works procedures and alternative public works
23 contracting procedures authorized under this chapter and evaluate the
24 potential future use of other alternative contracting procedures
25 including competitive negotiation contracts;

26 (2) Ensure that consistent, reliable, and standardized project
27 information is gathered and used to analyze the impact of contracting
28 policies on the outcome of major capital projects. The review board
29 shall, in consultation with the office of financial management, develop
30 standardized statewide performance indicators and benchmarks for all
31 major capital projects. These measures should, at a minimum, allow
32 basic comparisons of project performance by type, scope, cost,
33 schedule, quality, and contracting procedure. To avoid unnecessary
34 duplication, use of these indicators and benchmarks should be
35 incorporated into, or derived from, existing state and local agency
36 reports to the greatest extent possible;

1 (3) Establish criteria that may be used to determine effective and
2 feasible use of alternative contracting procedures;

3 (4) Develop and recommend to the legislature qualification
4 standards for general contractors bidding on alternative public works
5 projects;

6 (5) Develop and recommend to the legislature policies to further
7 enhance the quality, efficiency, and accountability of major capital
8 construction projects through the use of traditional and alternative
9 delivery methods in Washington, and make recommendations regarding
10 expansion, continuation, elimination, or modification of the
11 alternative public works contracting methods;

12 (6) Public bodies using the alternative contracting procedures
13 authorized under this chapter shall provide any requested information
14 concerning implementation of projects under this chapter to the
15 committee in a timely manner, excepting any trade secrets or
16 proprietary information;

17 (7) Encourage the transfer of knowledge through formal or informal
18 mentoring opportunities and the development of model documents or
19 guidelines that incorporate lessons learned from previous state and
20 local projects; and

21 (8) Periodically assess the use of alternative dispute resolution
22 processes in public works projects to determine their effectiveness at
23 resolving conflicts and disputes before they reach litigation and, if
24 necessary, recommend to the legislature modifications of state policy.
25 The review board may work with public and private dispute resolution
26 organizations to inform agencies about effective methods of
27 incorporating dispute resolution mechanisms into their public works
28 projects.

29 NEW SECTION. **Sec. 3.** A new section is added to chapter 39.10 RCW
30 to read as follows:

31 Notwithstanding any other provision of law, and after complying
32 with RCW 39.10.030, any city that: (1) is located in a county
33 authorized under this chapter to use alternative public works
34 procedures; (2) reports in the state auditor's local government
35 financial reporting system combined general fund, special revenue, debt
36 service, capital projects, and enterprise funds revenues that exceed
37 sixty million dollars; and (3) has a population greater than twenty-

1 five thousand but less than forty-five thousand, is authorized to use
2 the general contractor/construction manager or design-build procedure
3 for one demonstration project valued over ten million dollars.

4 All contracts authorized under this section must be entered into
5 before January 1, 2006.

6 NEW SECTION. **Sec. 4.** If specific funding for the purposes of this
7 act, referencing this act by bill or chapter number, is not provided by
8 June 30, 2005, in the omnibus appropriations act, sections 1 and 2 of
9 this act are null and void."

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10 On page 1, line 1 of the title, after "procedures;" strike the
11 remainder of the title and insert "adding new sections to chapter 39.10
12 RCW; and creating a new section."

EFFECT: Instead of one city and one county representative, the
board will have two members representing local government to be
appointed on a rotating basis by the AWC, WSAC, and the ports
association. The board is to look at competitive negotiation contracts
as a potential alternative public works process. Certain qualified
cities are authorized to use GC/CM or design-build for one
demonstration project.

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