

SENATE BILL REPORT

EHB 2684

As of February 25, 2014

Title: An act relating to time period and monetary limits on ferry vessel and terminal work by state forces.

Brief Description: Removing time period limitations on ferry vessel and terminal work by state forces.

Sponsors: Representatives Walkinshaw, Zeiger and Young; by request of Department of Transportation.

Brief History: Passed House: 2/14/14, 55-41.

Committee Activity: Transportation: 2/24/14.

SENATE COMMITTEE ON TRANSPORTATION

Staff: Hayley Gamble (786-7452)

Background: Current law limits the dollar amount of state highway work that the Department of Transportation may complete using state workers at \$60,000. Anything above this amount must be contracted out. The ferry system is considered part of the state highway system and is also subject to this requirement.

In 2010 the Legislature passed ESHB 3209, which temporarily increased the dollar threshold for completing work on ferry vessels and terminals using state workers to \$120,000 from March 15, 2010, through June 30, 2011. In the 2011-13 transportation budget, ESHB 1175, that time period was extended through June 30, 2013. These temporary increases to allow state ferry system workers to complete higher cost work have expired and the ferry system must comply with the \$60,000 limit for using state workers to complete vessel and terminal work.

During the time period that vessel and terminal work for less than \$120,000 could be completed by state workers, the ferry system completed one project that was above the original \$60,000 limit. The ferry system operates a large maintenance facility at Eagle Harbor on Bainbridge Island.

Summary of Bill: Work for less than \$120,000 may be completed by state workers on ferry vessels and terminals.

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.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: The Washington State Ferry system is subject to a \$60,000 work limit at Eagle Harbor; that limit has expired. This bill will increase the limit back to \$120,000 and it will save the ferry system money. The ferry system would save money and has the expertise to do this kind of work. The original bill increased the limit to \$200,000 and now it is at \$120,000.

CON: We oppose this bill. The ferry system should focus on providing ferry service and allow contractors to do the work. You get better value through contracting out the work. Doing work in-house sometimes results in mistakes.

Persons Testifying: PRO: David Moseley, WA Dept. of Transportation, Assistant Secretary, Ferries Division; Gordon Baxter, Puget Sound Metal Trades Council.

CON: Larry Stevens, Mechanical Contractors Assn., National Electrical Contractors Assn.