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## SENATE BILL 5223

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State of Washington 56th Legislature 1999 Regular Session

By Senators Loveland, Winsley and Patterson; by request of Alternative Public Works Methods Oversight Committee

Read first time 01/18/1999. Referred to Committee on State & Local Government.

- 1 AN ACT Relating to financial information and building systems for
- 2 the alternative public works process; and amending RCW 39.10.100 and
- 3 39.10.050.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 39.10.100 and 1994 c 132 s 10 are each amended to read 6 as follows:
- 7 (1) Except as provided in subsection (2) of this section, all
- 8 proceedings, records, contracts, and other public records relating to
- 9 alternative public works transactions under this chapter shall be open
- 10 to the inspection of any interested person, firm, or corporation in
- 11 accordance with chapter 42.17 RCW.
- 12 (2) Trade secrets, as defined in RCW 19.108.010, financial
- 13 information supplied by or on behalf of a person, partnership, joint
- 14 <u>venture</u>, firm, or corporation for the purpose of qualifying a bidder or
- 15 offeror submitting a bid or proposal, or other proprietary information
- 16 submitted by a bidder, offeror, or contractor in connection with an
- 17 alternative public works transaction under this chapter shall not be
- 18 subject to chapter 42.17 RCW if the bidder, offeror, or contractor

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- 1 specifically states in writing the reasons why protection is necessary,
- 2 and identifies the data or materials to be protected.
- 3 **Sec. 2.** RCW 39.10.050 and 1997 c 376 s 3 are each amended to read 4 as follows:
- (1) Notwithstanding any other provision of law, and after complying 5 with RCW 39.10.030, the following public bodies may utilize the design-6 7 build procedure of public works contracting for public works projects authorized under this section: The state department of general 8 9 administration; the University of Washington; Washington State 10 University; every city with a population greater than one hundred fifty thousand; every county with a population greater than four hundred 11 fifty thousand; and every port district with a population greater than 12 five hundred thousand. The authority granted to port districts in this 13 14 section is in addition to and does not affect existing contracting 15 authority under RCW 53.08.120 and 53.08.130. For the purposes of this section, "design-build procedure" means a contract between a public 16 17 body and another party in which the party agrees to both design and 18 build the facility, portion of the facility, or other item specified in 19 the contract.
- 20 (2) Public bodies authorized under this section may utilize the 21 design-build procedure for public works projects valued over ten 22 million dollars where:
- 23 (a) The construction activities or technologies to be used are 24 highly specialized and a design-build approach is critical in 25 developing the construction methodology or implementing the proposed 26 technology;
- 27 (b) The project design is repetitive in nature and is an incidental 28 part of the installation or construction; or
- (c) Regular interaction with and feedback from facilities users and operators during design is not critical to an effective facility design.
- 32 (3) Public bodies authorized under this section may also use the 33 design-build procedure for the following projects that meet the 34 criteria in subsection (2)(a), (b), and (c) of this section:
- 35 (a) The construction or erection of preengineered metal buildings 36 ((or)), prefabricated modular buildings, or the design, fabrication, 37 and installation of building engineering systems, regardless of cost; 38 or

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- 1 (b) The construction of new student housing projects valued over 2 five million dollars.
- 3 (4) Contracts for design-build services shall be awarded through a 4 competitive process utilizing public solicitation of proposals for design-build services. The public body shall publish at least once in 5 a legal newspaper of general circulation published in or as near as 6 7 possible to that part of the county in which the public work will be 8 done, a notice of its request for proposals for design-build services 9 and the availability and location of the request for proposal 10 documents. The request for proposal documents shall include:
- 11 (a) A detailed description of the project including programmatic, 12 performance, and technical requirements and specifications, functional 13 and operational elements, minimum and maximum net and gross areas of 14 any building, and, at the discretion of the public body, preliminary 15 engineering and architectural drawings;
  - (b) The reasons for using the design-build procedure;

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- 17 (c) A description of the qualifications to be required of the 18 proposer including, but not limited to, submission of the proposer's 19 accident prevention program;
  - (d) A description of the process the public body will use to evaluate qualifications and proposals, including evaluation factors and the relative weight of factors. Evaluation factors shall include, but not be limited to: Proposal price; ability of professional personnel; past performance on similar projects; ability to meet time and budget requirements; ability to provide a performance and payment bond for the project; recent, current, and projected work loads of the firm; location; and the concept of the proposal;
    - (e) The form of the contract to be awarded;
- 29 (f) The maximum allowable construction cost and minority and women 30 enterprise total project goals;
- 31 (g) The amount to be paid to finalists submitting best and final 32 proposals who are not awarded a design-build contract; and
  - (h) Other information relevant to the project.
  - (5) The public body shall establish a committee to evaluate the proposals based on the factors, weighting, and process identified in the request for proposals. Based on its evaluation, the public body shall select not fewer than three nor more than five finalists to submit best and final proposals. The public body may, in its sole

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discretion, reject all proposals. Design-build contracts shall be awarded using the procedures in (a) or (b) of this subsection.

- (a) Best and final proposals shall be evaluated and scored based on the factors, weighting, and process identified in the initial request for proposals. The public body may score the proposals using a system that measures the quality and technical merits of the proposal on a unit price basis. Final proposals may not be considered if the proposal cost is greater than the maximum allowable construction cost identified in the initial request for proposals. The public body shall initiate negotiations with the firm submitting the highest scored best and final proposal. If the public body is unable to execute a contract with the firm submitting the highest scored best and final proposal, negotiations with that firm may be suspended or terminated and the public body may proceed to negotiate with the next highest scored firm. Public bodies shall continue in accordance with this procedure until a contract agreement is reached or the selection process is terminated.
- (b) If the public body determines that all finalists are capable of producing plans and specifications that adequately meet project requirements, the public body may award the contract to the firm that submits the responsive best and final proposal with the lowest price.
- (6) The firm awarded the contract shall provide a performance and payment bond for the contracted amount. The public body shall provide appropriate honorarium payments to finalists submitting best and final proposals who are not awarded a design-build contract. Honorarium payments shall be sufficient to generate meaningful competition among potential proposers on design-build projects.

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