

**SHB 1830 - H AMD**

By Representative Haigh

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  
4 RCW to read as follows:

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

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

25           (b) One member shall be a member of the public hospital  
26 district project review board, selected by that board, who shall be  
27 non-voting.

28           (c) One member shall be a member of the school district project  
29 review board, selected by that board, who shall be non-voting.

1 (d) The executive officer of the review board, as named in  
2 subsection (10) of this section, shall serve as a non-voting  
3 member.

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

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

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

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

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

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

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

36 (9) Capital projects review board members are expected to  
37 consistently attend review board meetings. The chair of the  
38 capital projects review board may ask the governor to remove any

1 member who misses more than two meetings in any calendar year  
2 without cause.

3 (10) The office of financial management shall employ a director  
4 of the review board. The director shall be the executive officer  
5 of the review board and shall administer the provisions of this  
6 act. The office of financial management shall provide additional  
7 staff support as may be required for the proper discharge of the  
8 function of the capital projects review board.

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

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

15 (b) The public hospital district review board shall be a  
16 subcommittee of the capital projects review board and shall approve  
17 projects as outlined in RCW 39.10.117.

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

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

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

24 The capital projects review board has the following powers and  
25 duties:

26 (1) Provide ongoing analysis and evaluation of the use of the  
27 traditional public works procedures and alternative public works  
28 contracting procedures authorized under this chapter and evaluate  
29 the potential future use of other alternative contracting  
30 procedures;

31 (2) Ensure that consistent, reliable, and standardized project  
32 information is gathered and used to analyze the impact of  
33 contracting policies on the outcome of major capital projects. The  
34 review board shall, in consultation with the office of financial  
35 management, develop standardized statewide performance indicators  
36 and benchmarks for all major capital projects. These measures  
37 should, at a minimum, allow basic comparisons of project  
38 performance by type, scope, cost, schedule, quality, and

1 contracting procedure. To avoid unnecessary duplication, use of  
2 these indicators and benchmarks should be incorporated into, or  
3 derived from, existing state and local agency reports to the  
4 greatest extent possible;

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

7 (4) Develop qualification standards for general contractors  
8 bidding on alternative public works projects;

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

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

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

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

32 NEW SECTION. **Sec. 3.** If specific funding for the purposes of  
33 this act, referencing this act by bill or chapter number, is not  
34 provided by June 30, 2005, in the omnibus appropriations act, this  
35 act is null and void."

1 Correct the title.

**EFFECT:** Creates the capital projects review board in the Office of Financial Management. The board consists of 11 members appointed by the Governor from public and private entities using alternative public works contracting procedures, a member of the public hospital district project review board, a member of the school district project review board, and four members of the Legislature. An executive officer for the board shall be hired by the Office of Financial Management and will also serve as a non-voting member of the board. The board may establish subcommittees, two of which are the public hospital district project review board and the school district project review board. The board is to provide ongoing analysis and evaluation of the use of traditional public works procedures and alternative public works procedures; develop standardized statewide performance indicators and benchmarks for all major capital projects; establish criteria to determine effective and feasible use of alternative contracting procedures; develop qualification standards for general contractors bidding on alternative public works projects; periodically assess the use of alternative dispute resolution processes in public works projects; and develop and recommend to the Legislature policies to enhance the quality, efficiency, and accountability of major capital construction projects.