# Washington State House of Representatives Office of Program Research

BILL ANALYSIS

## **Transportation Committee**

### **ESSB 5997**

**Brief Description**: Concerning transportation project delivery.

**Sponsors**: Senate Committee on Transportation (originally sponsored by Senators King, Hobbs, Fain, Liias, Litzow, Braun, Schoesler, Parlette, Dammeier, Warnick, Sheldon, O'Ban, Hewitt, Becker and Brown).

#### **Brief Summary of Engrossed Substitute Bill**

- Authorizes and strongly encourages the Washington State Department of Transportation (WSDOT) to use design-build contracting for projects over \$10 million.
- Requires the Joint Transportation Committee to convene an expert review panel to examine the WSDOT's implementation and use of design-build contracting.

**Hearing Date**: 4/6/15

**Staff**: Alyssa Ball (786-7140).

#### Background:

Design-build construction is a contracting technique that allows the owner of a project to contract with a single entity for the design and construction of a project. Some construction work can often begin before the final design is complete, providing an opportunity for cost savings and expedited project delivery. The more common project contract, design-bid-build, requires the design to be complete before the construction portion of the project is awarded.

Current law allows the Washington State Department of Transportation (WSDOT) to use design-build construction if construction activities are highly specialized, efficiency opportunities through the use of a single entity for design and construction are greater, or significant savings in project delivery time would be realized. A design-build project must be over \$10 million, except that the WSDOT may also use the design-build process on up to five pilot projects costing between \$2 and \$10 million.

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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.

#### **Summary of Bill:**

The WSDOT is strongly encouraged to use design-build for public works projects over \$10 million.

After the completion of the five pilot projects valued between \$2 and \$10 million, the authority to use design-build on projects of this size expires.

The Joint Transportation Committee (JTC) must convene a design-build contracting review panel to examine the WSDOT's implementation and use of design-build contracting. The design-build contracting review panel must be comprised of six members representing the following stakeholders: two members must be nationally recognized experts in the field of design-build project delivery; a representative from Association of General Contractors; a representative from the American Council of Engineering Companies of Washington; a representative of the Professional and Technical Employees Local 17; and a representative from the WSDOT. The two nationally recognized experts must be selected cooperatively by the chairs and ranking members of the Transportation committees of the Legislature. The panel must report to the Legislature and the Governor by December 1, 2016. The experts must be compensated, including reimbursement for expenses. An expiration date of June 30, 2017, is provided for the panel and the JTC will provide support for the expert review panel.

The provisions of the bill apply to projects funded by revenue generated under Engrossed Substitute Senate Bill 5987.

The act takes effect only if Engrossed Substitute Senate Bill 5987 is enacted by June 30, 2015.

**Appropriation**: None.

Fiscal Note: Available.

**Effective Date**: The bill contains an emergency clause and takes effect on June 30, 2015.