

**Location:** via Teams

**Meeting ID:** 286 966 538 619 **Passcode:** 528oxQ

**Committee Members:** (19 members, 10 = Quorum)

x	Lekha Fernandes, OMWBE, Chair	x	Santosh Kuruvilla, Exeltech, Co-Chair
x	Irene Reyes, Excel Supply Company, Co-Chair	x	Cathy Robinson, University of WA
x	Frank Boykin, MBDA	x	John Salinas II, Specialty Contractors
x	Jackie Bayne, WSDOT CEO		Young Sang Song, Song Consulting
	Stephanie Caldwell, Absher Construction		Cheryl Stewart, Inland Northwest AGC
x	Bobby Forch, CPARB DBE Representative	x	Chip Tull, Hoffman Construction
x	Shelly Henderson, Mukilteo School Dist.	x	Charles Wilson, DES
x	Aleanna Kondelis, Hill International	x	Olivia Yang, WA State University
x	Keith Michel, Forma Construction		Janice Zahn, Port of Seattle
x	Brenda Nnambi, Sound Transit		

**Guests and Stakeholders:**

- |   |   |   |  |
|---|---|---|--|
|   | Monica Acevedo-Soto   | x | Edwina Martin-Arnold                                 |
|   | Jennifer Brower   | x | Monique Martinez, DES                                |
| x | Jack Donahue, MFA   |   | Rachael Pease, BNBuilders, Vendor Diversity Director |
|   | Michelle Fa'amoe  | x | Brian Ross, WWU                                      |
| x | Bill Frare, DES   |   | Kara Skinner, Integrity Surety                       |
| x | Erin Frasier, WA State Building & Construction Trades Council |   | Robin Strom, Anderson Construction                   |
| x | Curt Gimmetstad, Absher Construction                          | x | Vicky Schiantarelli, Schiantarelli & Associates      |
|   | Maja Sutton Huff, WSU, Higher education                       | x | Ethan Swenson, OMWBE                                 |
| x | Tennille Johnson, OMWBE                                       | x | Jerry Vanderwood, AGC                                |
|   | Denia Lanza-Campos  |   | Carrie Whitton, Forma Construction                   |
| x | Cindy Magruder, UW  | x | Edson Zavala, Sound Transit                          |
|   | Patrick McQueen, PCL Construction                             |   |  |

**The meeting began at 1:31 p.m.**

**Welcome & Introductions**

Chair Lekha Fernandes welcomed everyone to the meeting and reminded the committee of their assignment from the legislature. As a result of the packed agenda, they would not be spending as much time on introductions.

**Approve Agenda & Minutes from 3/20/2024**

Chair Fernandes read through the agenda and suggested waiting until the end to assign workgroups to ensure that topics were covered and voted on beforehand. She then respectfully asked the committee for enthusiastic participation in those workgroups, given the tight timeline that they are on.

The committee voiced approval of waiting to assign workgroups until the end of the meeting.

*Irene Reyes motioned to approve the agenda, seconded by Santosh Kuruvilla. The motion was approved by a voice vote.*

Monique Martinez pulled up the minutes from the meeting on March 20, 2024.

*Santosh Kuruvilla motioned to approve the minutes, seconded by Chip Tull. The motion was approved by a voice vote.*

### **Vote on Problem Statement & Workgroups**

Chair Fernandes invited Chip Tull and the others who worked on the problem statement to walk the group through it. Chip mentioned that the document included a compilation of notes from two meetings, and that the blue text on the document was from the second meeting.

The document included text from SB 6040, some of which was highlighted to draw attention to language that the workgroup will be focusing on. Chip then ran through the problem statement and a detailed outline of the draft report.

Chair Fernandes asked Chip if the inclusion of change and dispute work within the problem statement would constitute scope creep and weaken their argument, since there was a bill that went through the legislature regarding change and dispute work that did not receive much pushback. She also asked if it would be worthwhile to include the workgroup's methodology to provide insight into how they were able to work within the time constraints they were given.

Chip answered that he hadn't read the other legislation and couldn't speak to it, but that the problem statement covers how change work interacts with prompt pay. He stated that if it were covered by the legislation then he is ok with not including it, but he would want to review the bill before removing it.

Bill Frare added that prompt payment is affected by change and dispute orders, and that the conversation would be incomplete without at least acknowledging the other two elements. He acknowledged it was scope creep but believes it is the right move to address it.

Olivia Yang agreed with Chip and Bill, adding that change work can provide such a delay in payment that it should be included, and added that there are so many practices that could make the situation better that are worth including.

Irene Reyes agreed with Bill's qualifications on prompt pay but pointed out that payment delays affect sub-contractors most of all, and they are not included in the statement.

Jackie Bayne voiced her disagreement, noting that prompt pay, change orders and otherwise are incredibly complex, and that it is more important to focus on regular prompt payment.

Jerry Vanderwood, who mentioned he was not a voting member of the committee, encouraged them to "swing for the fences" and that solving the main prompt pay problem would only address the concerns of a few firms.

Chair Fernandes suggested, given the strict time constraints on the committee, that the committee address each topic individually to ensure they can meet their deadline while still being able to say something about change and dispute orders.

Vicky Schiantarelli made a different suggestion – that the committee pull out the language on change orders from the bill and use that to support the committee's work on regular prompt pay. Using it as a base would save the committee time and ground the proposal in what has been legislated already.

Chair Fernandes asked for any questions or concerns related to the problem statement. Bill spoke up, noting that while he does not object to focusing on SB 6040, he does believe that the final report should at least acknowledge these things, and if there is enough time it would be worth exploring the other two issues.

Chair Fernandes clarified that she wanted to ensure that the committee does what is asked of them, and that they can use the rest of the time to focus on those other pillars.

Chip referred to the bill, mentioning that it does not discriminate between main work and change or dispute work. He noted he does not think it should not be included. Chair Fernandes then mentioned that SB 6192, the change order bill, addresses those and work as a basis for the scope of the report.

Co-Chair Kuruvilla asked to clarify the scope of the report. Bill answered that he thought that prompt pay should be addressed on all legs, and that change orders should be addressed in some capacity, even if they are just mentioned as difficulties that smaller firms face.

Jackie shared the problem statement in the chat: "how do agencies, prime contractors, and others involved in the project ensure that subcontractors are paid more timely?"

Chair Fernandes suggested combining the two – pulling from Jackie's statement and the broader framing from Bill.

Jackie shared the statement in the chat: "How do agencies, prime contractors, and others ensure diverse subcontractors are paid more expeditiously? The subcommittee will start on prompt payment, addressing retention and change orders as time allows."

*Chip Tull motioned to accept Jackie Bayne's suggestions and problem statement and add them to the outline. Irene Reyes seconded the motion. The motion was approved by a voice vote.*

### **Vote on Final Project Schedule**

Monique pulled up the final project schedule. Chair Fernandes pointed out that the draft needs to be presented to CPARB by September 12, 2024, and that by October 12, 2024, the report will need to be finalized and voted on by CPARB. She then pointed out the aggressive timeline, noting that there were extra meetings held on everyone's calendars in case they were needed.

Chair Fernandes walked through the workgroups and their timelines.

The Scope Definition group arrived at a conclusion by providing a problem statement and can be disbanded.

The Stakeholder Engagement group is tasked with developing and sending a questionnaire for stakeholders, and then reporting back on their findings.

The Schedule Development group will disband after the schedule is approved by the committee.

The Findings and Discovery – New Legislation group will analyze the data presented to them, and fine tune the new legislation recommendations.

The Findings and Discovery – Current Legislation group is tasked with defining potential moves within the current legislation.

The Report Creation group will work from the beginning to develop the language for the SB 6040 group. The outline is done but the language should be drafted and developed as the other plans are worked through.

Chair Fernandes then asked the committee for their thoughts.

Bill spoke up and said the plan looked great, and asked Chair Fernandes to restate the due date. She answered that the first due date was August 21, 2024, with September 4, 2024, as a fallback in case the report was not ready by then.

Bill requested to be put on the Report Creation group.

Aleanna Kondelis requested to be added to the Current Legislation group.

Keith Michel mentioned that even though this road map is challenging and tight, that there is a map in place and clear directions on what is asked of them.

*Keith Michel motioned to approve the schedule, seconded by Santosh Kuruvilla. The motion was approved by a voice vote.*

### **Discuss List of Stakeholders & Expectations**

Chair Fernandes summarized the findings of the group, since Aleanna, who was leading the group, was having trouble with her mic. The group sought out stakeholders who were well-versed in prompt pay, with insight to provide on best practices.

Chair Fernandes then read through the questionnaire that will be sent out to stakeholders.

Monique showed the list of stakeholders. The list is long and includes contact information for stakeholders. Chair Fernandes explained the expectation that recipients would send the surveys out within their own networks.

Jerry requested to be added to the list of recipients, so he can distribute it to his network as well.

Irene stated she would like more time to read through the survey, and asked the group to consider the time that respondents have and mentioned that the number of open-ended questions could significantly slow down responses. She suggested restructuring yes/no questions and the open-ended questions together, to help speed up the process of filling out the survey.

In the chat, Aleanna requested the committee's help with providing context to frame the questions. Chair Fernandes suggested that they provide feedback, then the actual question redesigns be handled by the group in their next meeting.

Irene then suggested that there be more clarity over the definition of delayed payment within the survey.

Monique mentioned that Aleanna did say earlier that there was an initial thought to have a background document available for survey respondents to read through before answering.

Bobby Forch asked Chair Fernandes what would happen when an owner does not pay promptly, and how the recommendation would be enforced. She answered that since the survey is going to primes and not just smaller firms that they will be able to provide feedback on what those next steps could be.

Irene then asked what the deadline for feedback on the survey feedback was, Chair Fernandes answered that they would like feedback by the next group meeting, on May 3, 2024.

Jerry asked to extend the stakeholders list to include contractors in Spokane and added that he would reach out to his network there too.

*Irene Reyes motioned to move forward with the list of stakeholders and the questionnaire, with the condition that some survey questions would be modified. Jackie Bayne seconded the motion. The motion was approved by a voice vote.*

### **Assign Workgroups**

Chair Fernandes explained that the groups themselves can decide the meeting cadences.

Irene requested to join the Report Creation and Stakeholder Engagement groups.

Monique volunteered to assist wherever needed.

Jerry stated he'd be happy to help on Report Creation.

Charles Wilson requested to join the Stakeholder Engagement group.

Jackie nominated Earl Key, who will be replacing her, to the New Legislation group.

Chip requested to be added to the Current Legislation group.

## Capital Projects Advisory Review Board

### **BE/DBI Committee**

Meeting Notes April 17, 2024

Page 5 of 5

Irene requested to join the Current Legislation group, as well.

Bobby requested to join the Stakeholder Engagement and Current Legislation groups.

Jackie requested to join the New Legislation group as a non-voting member.

Jerry requested to join the New Legislation group, and volunteered Vicky and his colleague Brian Kelley from AGC.

Bill was also added to the New Legislation group.

Irene suggested adding Bob Armstead, since he can provide feedback on suggested legislation. She will reach out to him.

Cindy Magruder requested to be added to the Current Legislation group.

Frank Boykin requested to be added to both the Current and New Legislation groups, as well as the Stakeholder Engagement group.

Erin Frasier said she would need to discuss with Mark and get back about which group she'd join.

John Salinas requested to be added to the New Legislation group.

Tennille Johnson was added to the New Legislation group.

Keith requested to be added to the New Legislation group.

Brenda requested to be added to the Current Legislation group.

Co-Chair Kuruvilla requested to be added to the Report Creation group, and added his colleague Cathy Ridley to Report Creation as well.

Olivia requested to be added to the Current Legislation group and added Brian Ross as well.

Chair Fernandes introduced Ethan Swenson, who will be working in a project management capacity. She stated that they will schedule the initial meetings, and then the groups will operate on their own to set up hierarchy and cadence.

**The meeting was adjourned at 2:57 pm.**

### **Next Meeting Agenda**

- Welcome & Introductions
- Review & Approve Agenda and Minutes from 4/17/2024
- Groups report out findings
- Next steps from group findings
- Next meeting agenda
- Adjourn

### **Action Items**

1. Chair Fernandes, Monique Martinez and Ethan Swenson will reach out to workgroups to establish kickoff meetings.
2. Chip Tull will update the problem statement and add it to the report outline.
3. All committee members will develop feedback to provide to the Stakeholder Engagement group on their questionnaire, due by May 3, 2024.
4. Irene Reyes will reach out to Bob Armstead about joining one of the workgroups.