Capital Projects Advisory Review Board

## **Construction Cost Escalation (for SWR) Committee**

General Contractor Feedback on SWR Thresholds August 13, 2025

From: Justin Vena <<u>JVena@tclcon.com</u>>
Sent: Wednesday, July 30, 2025 10:07 AM

To: Yang, Olivia (WSU) <olivia.yang@wsu.edu>; Baker, Talia (DES) <talia.baker@des.wa.gov>

Subject: Construction Cost Escalation Committee - AGC Feedback

External Email Hi Olivia & Talia,

I received some feedback from the folks on the AGC Gov't Affairs Committee – I saw that our meeting for this week had been rescheduled, so I'll provide an update if I receive more responses/perspectives prior to the next meeting.

- 4 responded: 3 feel the \$1M limit is most appropriate, one would prefer \$500k.
- The SWR procurement process helps to reduce the time, resources, and cost for contractors to respond to solicitations when compared to the full public bid opening process.
- If the limit was raised to \$1M they didn't see a downside for smaller "incubator" contractors.
   Contractors targeting the higher end of the range would not be interested in bidding on lower cost projects or competing with small "incubator" contractors or certified contractors.
- The \$1M limit would provide small businesses more opportunity for growth by providing a longer runway to transition into larger projects.
- The Higher limit would provide Owners and Contractors the relief needed for a broader range
  of projects that are best served in the SWR market without going through the full public bid
  opening process.
- The effort required to secure placement on the small works roster is a relatively easy process when considering opportunities offered once on the list it opens up opportunities that may not be advertised elsewhere.

Thank you,

## JUSTIN.VENA, DBIA

General Manager

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