

Construction Cost Escalation (for SWR) Committee

Meeting Agenda

September 24, 2025

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Location: via Zoom

Meeting ID: 851 2540 4806 **Passcode:** 933045

Committee Members:

(12 Members, 7 = Quorum)

Olivia Yang, Owner Higher Education <i>Chair</i>	Karen Mooseker, Owner Sch. Districts/ Shelly Henderson (<i>proxy</i>)
Theresa Bauccio-Teschlog, Owner Cities	Angela Peterson, Owner Ports
Robert Blain, Owner Counties	Irene Reyes, Association of small/diverse businesses
Garett Buckingham, Owner Public Hospitals	Michael Transue, Specialty Contractors
Ron Endlich, Owner Transit	Justin Vena, General Contractors (SWR #1)
Erin Frasier, Labor	
Bruce Hayashi, Architects	<i>Vacant, Small Works Roster Representative #2</i>

Agenda

3:00 pm	Welcome & Introductions	Information	Olivia Yang
	Approve Agenda	Action	
	Approve Minutes from 9/10/2025	Action	
3:05 pm	Discussion of Price Indexes	Discussion	
3:35 pm	- Report Backs from contractors and labor, and prof. services: - SWR threshold increase - Other impacts to consider? - Pilot program with SWR Increased Thresholds. - Pilot Program guardrails/parameters	Information\Discussion	
4:10 pm	Next Steps	Discussion	Olivia
	- Continue discussion		
4:20 pm	Set next meeting Agenda: 10/8	Action	
	- Public Owner report continued discussion regarding pilot program		
	- Contractors and labor, and prof. services continued discussion		
4:30 pm	Adjourn		

Purpose/Mission:

Per RCW [39.04.154](#) review construction cost escalation data and make recommendations to CPARB to make recommendations to the appropriate legislative committees on adjustments to the contracting thresholds for small works rosters per RCW [39.04.152](#).

Action items from last meeting:

- Representatives of labor, contractors, and professional services ask their membership what projected SWR threshold they would be comfortable with for the standard threshold for 2025-2030 including escalations, as well as a five-year pilot with a threshold of \$1 million.
- Owner reps will seek pilot support from the Owner's Group.
- Michal Transue will take another look possible escalation numbers (\$500K-\$650K in 3 years?) and bring them to the next meeting.
- City Representatives will discuss escalation numbers and collect information to get a better sense of what is the most accurate index to go by.
- All members and stakeholders are asked to review the draft report and bring updates to the next meeting.
- Meeting schedule will be extended through the end of October. ✓

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Other attendees:

Talia Baker, CPARB Staff (DES)	Claire Hornacek, MFA (scribe)
Nancy Deakins, CPARB Staff (DES)	Brent Ludeman
Steven Ellis, AWC	Brianna Morin, AWC
Theresa Gonzalez	Colleen Newell, MFA (scribe)
Melanie Harding, MRSC	Jon Rose, MRSC
Chris Harman, WPPA	Brian Ross - WWU
Sam Humphreys, MFA (Scribe)	Axel Swanson, WA Assoc. of Counties
Lisa Lagerstrom, MRSC	

Resources:

1. RCW [39.04.154](#)
2. RCW [39.04.152](#)
3. [2SSB 5268](#): 30 NEW SECTION. Sec. 16. Beginning in 2025 and every five years 31 thereafter, the capital projects advisory review board must review 32 construction cost escalation data for Washington state, readily 33 available in industry publications, roster utilization, and other 34 appropriate data and metrics, and make recommendations to the 35 appropriate committees of the legislature on adjustments to the 36 contracting thresholds described in section 15 of this act.
4. Committee Homepage: <https://des.wa.gov/about/committees-groups/capital-projects-advisory-review-board-cparb/construction-cost-escalation-committee>
5. US & WA Construction Trends and Outlook by Ken Simonson: <https://des.wa.gov/sites/default/files/2025-05/2025-05-08-5-CPARB-US-WA-ConstructionTrendsOutlookKenSimonson.pdf>
6. DES Small Works Roster Templates and Instructions: <https://www.des.wa.gov/services/facilities-and-leasing-management/public-works-design-construction/changes-small-works-roster>