



STATE OF WASHINGTON
Capital Projects Advisory Review Board

January 15, 2020

Senator Karen Keiser
Post Office Box 40433
Olympia, Washington 98504-0433

Re: *Capital Projects Advisory Review Board, Special Meeting on SB 5457*

Dear Senator Keiser,

Thank you for attending the Special Meeting of the Capital Projects Advisory Review Board (CPARB) last Wednesday, January 8, to discuss SB 5457. We appreciate your efforts to ensure fairness to subcontractors and construction trades labor and your interest in understanding the perspectives of a broad range of stakeholders. At the conclusion of the meeting, CPARB came to consensus, passing a two-part motion about next steps.

Part I: Coordinating SB 5457 with RCW 39.10

First, CPARB recommends that SB 5457 be modified to make it clear that RCW 39.30.060 does not apply to the alternative contracting methods in RCW 39.10. The subcontractor listing statute conflicts with both the process and intent of Design-Build and General Contractor/Construction Manager (GC/CM) procurements where the general contractor is typically selected prior to the time most, if not all, of the subcontracts are bid. Currently, RCW 39.30.060 Paragraph (4) explicitly excludes job order contracting. By revising paragraph (4) to state that the section does not apply to RCW 39.10, the exclusion would also address Design-Build and GC/CM procurements and correct the conflict.

Part II: Proposed CPARB Committee

Second, CPARB offers to create a committee that addresses the issue of identifying subcontractors in a timely fashion. The committee would include subcontractors, labor, minority, women, veteran and small businesses, contractors, design professionals, public owners and others. The committee's goal would be to find a consensus-based solution amongst the various stakeholders that ensures fairness to subcontractors and construction trades labor while protecting public owners, general contractors and design professionals from unnecessary risk.

CPARB has a track record of bringing diverse stakeholders together to improve outcomes on publicly funded capital projects. The role is consistent with our statutory duties that include "advis[ing] the legislature on policies related to public works delivery methods and to recommend to the legislature policies to further enhance the quality, efficiency, and accountability of capital construction projects through the use of traditional and alternative delivery methods in Washington."

Our experience indicates that creating consensus on a complex issue like this takes time. However, we understand the urgency of resolving the issue. CPARB will endeavor to report back to you with a proposal by late October of this year so that it can be considered for passage in the 2021 legislative session.

We look forward to continuing the conversation.

Yours truly,

Walter Schacht
Chair, CPARB

Rebecca Keith
Vice-Chair, CPARB

cc: Senator Hasegawa