

Location: via Teams

Meeting ID: 245 443 935 94 **Passcode:** tKAuFM

Committee Members: (12 members, 7 = quorum)

x	Linneth Riley Hall (Transportation), Co-Chair	x	Tom Zamzow AGC (Walsh Construction), Co-Chair
x	Arthur Antoine, proxy for Metin Keles, WBE	x	Santosh Kuruvilla, Engineers
x	Bob Armstead, MBE	x	Jessica Murphy, City of Seattle
x	Lekha Fernandes, OMWBE	x	Stuart Moore, Atkinson Construction
x	Bobby Forch, MSPW	x	John Salinas II, Specialty Subcontractors
x	Joseph C. Kline, WSU	x	Robynne Thaxton, Private Industry

Guests:

x	Talia Baker, DES/CPARB Staff	x	Art McCluskey, WSDOT
x	Nancy Deakins, DES CPARB Staff	x	Jerry Vanderwood, AGC
x	Mike Dobry, DEA	x	Janice Zahn, CPARB Chair and Ports Rep
x	Suryata Halim, WSDOT	x	Jim Cuthbertson, WSDOT
x	Thrall Hershberger, Kraemer, NA	x	Jerry Vanderwood, AGC
x	Terrence Lynch, WSDOT	x	Olivia Yang, WSU
x	Jessica Letteney, MFA	x	Janice Zahn, CPARB Chair and Ports Rep
x	Ping Liu, Flatiron Corp	x	+13606096548 (Unverified)

The meeting began at 3:02 p.m.

Call to Order and Roll Call for Quorum

A roll call of members confirmed the meeting quorum. Co-Chair Linneth Riley Hall welcomed everyone to the Capital Projects Advisory Review Board (CPARB) WSDOT Project Delivery Method Review Task Force (TF).

Approve Agenda

Chair Linneth Riley Hall recommended a change to the agenda. The item Review Draft Executive Summary & Report Outline was changed to Discussion on Recommendations for the Report, and Review WSDOT Project Goals and Priorities was added.

Robynne Thaxton moved to approve the agenda, and John Salinas II seconded the motion. The agenda was approved by a unanimous voice vote.

Approve Minutes from 05/08/2024 Meeting

Chair Riley Hall reviewed her recommended changes to wording in the notes on pages 4 and 5 to confirm, clarify, and ensure that the notes summaries reflected the discussion. The notes were amended. At the conclusion of the review, she requested further comments and clarifications and heard none from TF members.

Robynne Thaxton moved to approve the minutes of the May 8, 2024, meeting, and Santosh Kuruvilla seconded the motion. The motion to approve the minutes was approved by a unanimous voice vote.

Review Budget Proviso Language

Janice Zahn reported on the budget proviso language in Engrossed Substitute House Bill 2134, beginning on page 126, part 25. The TF reviewed the language on screen while Janice explained that there were two paragraphs in the budget proviso. The first paragraph discussed the four projects for the TF to review and the second touched on cost certainty with regard to the Engineer's Estimate. The request is to evaluate delivery methods in a manner that provides a high degree of certainty that bids will come in as expected. And although the delivery methods will drive whether it's a guaranteed maximum price or a hard bid, this paragraph provides insight into what the legislature was thinking about it. In addition, the language discusses request bid offers with alternatives for components of a

larger project so that WSDOT can look at modifications and options to minimize project delays and stay within appropriated funding resources.

A third paragraph discusses the fact that in the four named projects, if the bid proposals exceed the Engineer's Estimate by more than 5% or \$10 million, WSDOT makes a report to the Transportation Committee of the legislature and pauses the award and contract execution. These are some important elements that the TF should be thinking about as members craft the recommendations for the board for adoption of the recommendation.

Robynne Thaxton clarified that the charge for the TF was related to the first paragraph of the proviso and the subsequent paragraphs are what WSDOT is supposed to do. There's been a lot of discussion about cost certainty in the various delivery methods, and there is a great deal of research by universities—such as the University of Colorado, Georgia Tech, and others—conducted on behalf of state or federal departments of transportation on the topic.

Janice referred back to the May 8 meeting in which she shared the recording of Chair Fey discussing concerns around cost and whether traditional Design-Build (DB) was the best delivery method. She also had a conversation with Senator Liias. Both legislators want to make sure they understand the industry and climate as well as the best project delivery method based on their understanding of costs. She noted that it takes a certain amount of time and effort to understand project risks before an owner can arrive at cost certainty. She thinks it might be appropriate to communicate this concept as part of the report.

The legislature is facing a large continuing need for infrastructure and transportation with a more limited budget and legislators want to be more thoughtful about making decisions related to the transportation budget. The projects in the budget proviso may be examples, but as the legislature moves forward, it may want WSDOT to think about what delivery method they want to use and what they might want to do differently in the future.

Research by the Design-Build Institute of America and the American Council of Engineering Companies did a joint research project with the University of Colorado. The project culminated in a report called the Design Build State of Practice. The report looked at differences between smaller projects and larger projects and the balance or transfer of risk for design firms as well as the builders. They found that, in smaller projects, the risk transfer was not as extreme, especially for design professionals, so there was an imbalance between small and large projects. In the industry, there are fewer Design-Builders that want to lean into big projects because risk transfer is large, more than they are willing to take on. The report discussed finding a way to split megaprojects into smaller elements and how to avoid an inequitable risk transfer, including insurance options. And exploring using Progressive DB instead of traditional, best-value DB, where there is an opportunity to engage in a discussion about the proper amount of risk transfer.

She also noted that, in 2015, the language from the legislature changed to encourage DB over \$2 million and heavy civil GCCM was adopted in 2014. She wanted to know whether WSDOT considered heavy civil GCCM or whether there is an opportunity to look at heavy civil GCCM for WSDOT.

Discussion on Recommendations for the Report

Robynne noted that there has been a lot of discussion about the idea that the delivery method causes the cost variation. She collected some of the 2023 WSDOT project costs for projects over a certain threshold into a table. Most of the projects are Design-Bid-Build (DBB), with one DB project (Deep Creek). The table shows the year, the contract name, the description, the Engineer's Estimate, the lowest bid, and the percentage difference. The comparison of bid price to Engineer's Estimate shows that there is a wide variety of cost certainty in the projects. Some went over by 55% and one (the Deep Creek DB project) was lower than the Engineer's Estimate, at negative 20%. She also looked at the May 17, 2024, email that WSDOT sent (Subject: May 8, 2024, CPARB/WSDOT Project Delivery Method Review Task Force Meeting—WSDOT Action Items) with the results of analysis on the cost estimates for Portage Bay Bridge and Brickyard DB projects and contributing factors to understand the overruns. She will provide the studies and her table.

Chair Riley Hall recommended adding a column for the delivery method and including the Portage Bay Bridge and Brickyard DB projects from WSDOT in the table and then including this as an appendix to the report.

John Salinas II redirected the TF's attention to the budget proviso language, specifically the paragraph that discusses the \$10 million or 5% in the second paragraph. He wanted to hear what others think, especially Robynne from a legal standpoint, about discussing cost certainty in the report.

Robynne mentioned that she contacted Keith Molenaar at the University of Colorado, one of the leading researchers on DB. He provided the studies that confirm that, over several hundred projects, DB actually has as good or better cost certainty than other delivery methods. She recommended that the TF provide data on that point. Regarding the budget proviso language, she believes the TF needs to give recommendations on procurement methods.

Stuart Moore added that when WSDOT puts a project out to bid, the job is advertised with a range, for example \$150 to 220 million. The contractor doesn't know what the Engineer's Estimate is, but they use the range to try to figure out the estimate, using the 5% scale. By the time a contractor is shortlisted and selected for the one-on-one process, they have five months to do the design and the Alternative Technical Concepts (ATC's). The contractor then has a pretty good idea what the Engineer's Estimate is within 5 or 10% as well as what the actual project costs will be. But the contractor may not tell WSDOT what those actual cost numbers will be. The process precludes the contractor from talking directly about costs although contractors may give WSDOT an indication by saying that the range doesn't look quite right. The bottom line is that the final project cost is not a surprise to the contractor, who knows from the first month where costs will end up.

Santosh Kuruvilla noted that WSDOT has good cost estimating manual, last updated in 2023. It captures the general standard of care in the industry and includes some of the references to the same studies that Robynne will provide. He would like to know whether WSDOT is looking at cost estimating practices and thinking about what they need to change about the manual to include contractor input on price. He would like the TF to consider whether it makes that type of recommendation as part of the report.

Art McClusky indicated that WSDOT has convened an internal group to review estimating procedures. The cost estimating manual is very good so WSDOT is reviewing the application of its guidelines. The information that Art sent on the Portage Bay and Brickyard projects will also be carried forth into the WSDOT internal workgroup. This internal review is proceeding regardless of whatever the TF recommends.

Bob Armstead observed that the issue under discussion is a communications problem. Contractors know the cost of the project. WSDOT did not inform the Transportation Commission of the escalation in costs after the Engineer's Estimate. When project elements change, communication is essential to avoid problems.

Chair Riley Hall noted that communicating early to the Transportation Commission to keep them informed of the escalation of costs is a recommendation for the report.

Joseph Kline noted that Washington State University (WSU) uses the budget as the fixed number and scope as the variable whether doing traditional DB or Progressive DB. He wanted to know whether WSDOT would consider an approach like that.

Art responded that WSDOT has a lot of stakeholders and the projects have a lot of commitments. WSDOT is aware of the budgets and many times they are also trying to fulfill scope. Sometimes those don't match.

WSDOT has done projects with what they call an upset amount as a fixed number. The upset number is the maximum amount that's payable on the project. In the bid process, Design-Builders indicate on a form whether they are over or under the upset amount. If all bidders are over the upset amount, WSDOT knows they have to change to scope, even though they never see the bid amount.

WSDOT starts the best and final offer process when the scope is reduced to get more realistic bids. Because the process is an alternative contracting method, WSDOT doesn't discuss costs but they can talk to Design-Builders and get an idea of where the issues are, then reduce scope to make it match budget. It's up for discussion whether WSDOT should think more of budget and scope before that point.

Joseph noted that WSU also has many stakeholders or constituents on their projects. He offered the idea that there may be some project elements that they are not legally required to do. The hangup is that WSDOT doesn't know what the number is when they are having the discussion. At WSU, they have an amount like WSDOT's upset amount; WSU calls it the GMP. WSU says to the contractor, "that's the GMP, tell us what we can do for that." That is one way to arrive at cost certainty, if cost certainty is the bigger concern.

Stuart noted that the description of the GMP works pretty well in progressive design when there is a specific amount of money and the owner wants to get the most scope possible. For WSDOT, with traditional DB, bids are made on one lump sum. If WSDOT changes the scope there have to be negotiations about it after the fact, which could be an issue in traditional DB.

Santosh suggested that another tactic WSDOT might consider is related to softening up the commercial terms, such as bonds and warranties, in the interest of cost. That might be a way to recalibrate the risk and have a meaningful conversation with contractor to start sharing the risk.

Art responded that WSDOT is having conversations now about the warranty they require for fish passage projects, with the idea that the requirements could be reduced. WSDOT is open to considering that idea.

Robynne addressed the issue that WSDOT does not look at price. During one-on-one meetings, Robynne always asks DB teams whether there is something in the procurement or something in the contract or specifications that is unnecessarily increasing price or whether there is some way that the price could be more efficient. It is possible to have this discussion without being specific while still getting some valuable information from contractors/bidders.

Stuart noted that, when projects get big, bonding companies recommend that contractors not bid on anything over \$500 million; very few contractors will take on jobs bigger than that.

Chair Riley Hall noted that there have been recommendations in previous meetings and those will need to be included in the report. For example, there was the recommendation that the RCW include other alternative delivery methods so that WSDOT is encouraged to consider them. There may be others not captured in this meeting.

Robynne will go back through the minutes to capture as much as possible. She also wrote down a number of things about why she thought a delivery method would be appropriate and suggests looking at it.

Santosh returned to the topic of WSU's approach to some projects. WSU considers the cost fixed. They figure out base costs for the must-haves. Depending on where contractor bid comes in, they add up to that total project cost for items that are beyond the must-haves. That's traditional.

Joseph said that WSU calls it the accordion scope. There is the base scope of work and then the project elements can grow in the accordion scope as money is available. But if, during the project, there are problems that add cost, the scope can be adjusted. The idea is to flex the scope instead of budget.

Santosh said that one possible recommendation is that WSDOT have a base cost of must-have items and then the projects can layer in the items that are beyond must-haves.

John noted that the Army Corps of Engineers and the Navy have projects that use a similar approach. They have a base scope of work and optional items that are beyond the base scope. If all project elements can fit in the allotted budget, then the agency will do all of them. He asked WSDOT whether this type of approach would be allowed under the current DB rules for WSDOT.

Art reported that WSDOT has done one DB project under what they call the fixed price variable scope. There was a base scope and two additional scopes that could be added within an upper price limit. Bidding Design-Builders that were under the upset amount and addressed all elements of scope had a better chance of winning the project. WSDOT did it once and are thinking about doing it again. There is nothing in the RCW that forbids that type of approach.

Jessica Murphy noted that there is a push and pull between scope and price. Agencies want scope but are not willing to pay the price. This concept needs to be daylighted. The City of Seattle does use an approach like the accordion scope in low bid work like alternatives and additives. It can be done in DB and GCCM and it could be a way to be more predictive of cost. But a discussion of cost certainty has to acknowledge that, although a project may achieve cost certainty, the project that gets built may not be the project that was originally scoped.

Stuart agreed with what Bob said earlier about communication. No one was surprised that prices came in high on the 520 (Portage Bay) project; industry professionals knew it would be over a billion dollars. His company looked at the project and declined to bid on it because it was clear that the project would have been way too big for his company. It seemed like the communication process for that project was amiss.

Chair Riley Hall asked WSDOT to describe the current practice for communication to the Transportation Committee if costs are over the Engineer's Estimate.

Art reported that the factors that he sent in his May 17 email to the TF on overruns are excerpts from a WSDOT Justification to Award Memorandum on whether projects should be awarded. The memorandum goes to the director of construction. The two projects in question went beyond the director's ability to award the project. When there is a Justification to Award memo, WSDOT leadership has a conversation about whether to award, because funds spent on the project will affect funds somewhere else in the program. He is not sure about the process for engaging the legislature about funding.

Robynne noted that she added review Justification to Award memos to adjust features to help WSDOT adjust their cost estimating practice as a recommendation.

Stuart noted that it is easy come up with a rough order of magnitude within 10 or 20% for the costs. It is not that difficult to arrive at the right cost estimate. And if it's been two years and costs have gone way up then the estimate is redone. But perhaps there is a disincentive to redo the estimate because perhaps approval would be revoked if the estimate is significantly higher. If WSDOT could redo the Engineer's Estimate right before job went out to bid, it might be closer.

Co-Chair Tom Zamzow said that Art's report showed that WSDOT made the Engineer's Estimates close in time to when the bids were advertised.

Robynne displayed her chart with the analysis of projects with various delivery methods and how they fit.

Chair Riley Hall noted that Part 1 is to consider whether WSDOT selected the appropriate project delivery method from the list of DBB, DB, Progressive DB, GCCM, and heavy civil GCCM. Part 2 is, for the other projects that are at 100% design already, the TF needs to keep in mind that whatever is said in this report may affect what the TF says in the report of recommendations for the other projects. Focusing on SR 18 for now and considering DBB and Robynne's lens of statutory requirements, the question is whether they authorized or not to use the method.

Robynne noted that WSDOT's determination to use DB for SR 18 is from the meeting minutes and the WSDOT matrix of justifications. SR 18 does meet the requirements for RCW 47.20 and would probably meet requirements for DB under RCW 39.10. For GCCM, WSDOT is not quite ready to use that method. From prior discussions, it seemed like the TF was agreeing to keep GCCM out of the discussion for these projects but not for the future.

Chair Riley Hall asked whether everyone was on board with DB. For Progressive DB, WSDOT does not realistically have capacity or systems to support an additional Progressive DB project, but that consideration is not the same as authorization. For Progressive DB, GCCM, and heavy civil, WSDOT is authorized but would need to go to PRC to demonstrate that they meet the RCW 39.10 requirements, Parts 1 and 2.

Janice noted that the other question may be whether the owner can show they can deliver using that method. Other public owners have used a consultant to demonstrate they can deliver. Just because WSDOT doesn't have internal capability, it doesn't preclude them from bringing in an experienced consultant that supports them through the delivery method for methods like heavy civil GCCM or Progressive DB. The issue is not that WSDOT can't do it, but that they may need other subject-matter experts in the future to help shepherd them through the process.

Jessica also made a distinction between the question of what WSDOT can do statutorily and the question of why the agency did or did not use a certain project delivery method. She cautioned against mixing the statutory question with WSDOT's reasons for choosing a method (based on other factors such as capacity).

Chair Riley Hall agreed and said that the way forward for SR 18 is to (A) make sure TF members are all in agreement that WSDOT would meet the RCW requirements or would need to staff to meet requirement and (B) to evaluate each delivery method, determine which would be the best one, and articulate the reasons why.

Stuart observed that, for SR 18, DB is the default. He asked TF members to weigh in on whether there is any reason that another method would be better than DB.

Chair Riley Hall noted that in going through Part B, the TF will arrive at an answer to Stuart's question.

Robynne explained the rationale she used in the chart and invited comments. Noting that, for RCW 47.20 there's a whole list of WSDOT rationale, including timing where they are in the selection process, and other factors. For Progressive DB, they probably could have gotten approval from the PRC, but WSDOT had made a decision to only pursue one Progressive DB large project at that time, which seems like a rational decision. WSDOT cannot meet the requirement to get SR 18 underway using GCCM, at this time. The same goes for heavy civil GCCM. The choice between DBB and DB is related to timing. WSDOT provided a list of reasons as to why they've chosen not to do DBB. If DB and DBB are off the table, she would like to hear whether anyone thought that Progressive DB was an appropriate method based on where WSDOT is today.

Chair Riley Hall noted that, if WSDOT did not have to meet a certain schedule, then any of the delivery methods could be feasible. For example, they could do GCCM and bring on consultants to support it.

Stuart noted that although it would be technically possible to bring on consultants to support a GCCM project delivery method, he was not sure there would be any advantage.

Chair Riley Hall agreed and said, to that point, there is nothing advantageous about that and costs would increase because the project execution would move into the future and the tendency is for prices to continue to go up.

Co-Chair Zamzow agreed and noted that, if WSDOT had a limited schedule, needed cost certainty, or the most flexibility to vary scope to attain cost certainty and hit the budget, the answer might be different. The answer is different depending on the project parameters. He believes there is a strong argument to say that WSDOT chose the best delivery method with the parameters they had at the time. If the parameters change to include cost certainty and schedule, the answer could be different. He would like the TF's recommendation to acknowledge that.

Chair Riley Hall asked anyone who believes that WSDOT chose the right delivery method based on the goals and scope at that time to react with a thumbs up. [TF members indicated agreement with thumbs up reactions.]

Janice agreed that decision WSDOT made at the time is thoughtful and makes sense. The fact that the budget proviso is worded the way it is indicates that the legislature is concerned about budget overruns and the budget they have for all transportation projects. The second paragraph of the proviso and Jessica's comment about the accordion scope is an interesting issue. Maybe the task of the TF is to lean into budget and cost more than schedule or scope. If cost is a larger consideration now than it originally was for these projects, maybe that influences the TF thinking about project delivery method. The essence of what she hears from the legislature is that there is not that much budget, lots of needs, and there is a concern over project cost changes. She believes this is part of the charge that the TF is being asked to evaluate.

Arthur Antoine noted that he has seen some agencies prioritize project timing over cost certainty, which is what he calls a different metric, award growth. The difference in cost was plus or minus a percentage from the estimate to the award cost. Keith Molenaar was his PhD advisor on a project where Arthur was gathering data from different transportation departments across the country. He sees the potential to conduct an empirical analysis of project data to answer some of these questions.

Jessica agreed that the different goals of holding to a schedule or cost certainty result in different conversations. WSDOT made an informed good decision with what they were trying to do. Cost certainty does not necessarily mean low cost. While the TF can acknowledge that WSDOT's decision was good, it can also recommend some other ways to execute the project. More options are available if, for example, WSDOT is willing to relax on schedule. It would be effective to show the different tradeoffs as feedback to the legislature. It's not possible to have all of the project elements—scope, schedule, and budget—as desired.

John said that there are two answers to the question of whether WSDOT made the right choice. He agreed that WSDOT made an informed decision under guidelines and rules in place for making that decision. They have their checklist. The project was of a dollar amount to qualify for DB, and the RCW rules promote DB over other options. If the goals are changing or reasoning behind choosing

with one option or another—this understanding about what the legislature is looking for now is different from what was in place when WSDOT made its decision on SR 18.

Robynne noted that RCW 47.20 is still in place. The TF can give recommendations for WSDOT to start exploring other delivery methods. If the question of schedule is set aside, the project is at risk for cost and re-permitting because the studies they conducted have a limited time frame. If the project is delayed due to a change in the delivery method, the studies that take years to conduct will need to be redone.

In addition, members of the TF do not have the background to be able to do the kind of research that Arthur mentioned. However, there is a lot of other research available from, for example, the South Carolina Department of Transportation, which was authored by university faculty, and the December 2020 Efficiency Study of Design-Build program from Georgia Tech which includes recommendations for DB. She's seen many studies on DB versus DB with cost certainty. One recommendation may be if the legislature wants empirical data, they may need to commission their own study, not just ask TF volunteers to do this. She will provide links to the studies to Talia for posting.

Stuart said where SR 18 is now; WSDOT has established a range or has an Engineer's Estimate. Lowering the cost is the goal; therefore, whichever alternative gives them the lower cost is the right solution.

Chair Riley Hall observed that lower cost doesn't mean WSDOT will get the same scope or quality.

Stuart said that if the goal is 100% cost certainty the method to choose would be Progressive DB and change the scope or CMGC. But if the goal is to preserve all the scope at the lowest cost, the method would be DB. The method depends on what WSDOT wants.

Chair Riley Hall asked Stuart whether, based on the scope WSDOT had in place at the time and the RCW, does he think they made the right decision.

Stuart agreed that WSDOT made the right decision at the time and noted that he thinks there is widespread agreement among TF members on that point. A further question is: what is the best solution given what is now known?

Bobby Forch agreed that WSDOT made the best decision at the time. He suggested explaining to the legislature that the market is different now and so is the industry. At the same time, WSDOT is trying to move forward with the proper tools to deal with each project. Each of these projects are specific and unique in size and scope. On the Gateway program, they listened to the industry, broke up the project to be right sized and changed the delivery method on another to meet the goals they needed to meet. The discussions at WSDOT need to be broader to look at the whole capital program to be able to respond appropriately based on each particular circumstance.

Santosh agreed that WSDOT made the right decision; however, he is not 100% convinced WSDOT made the right decision to preclude Progressive DB. The SR 18 project has five fish passages, so WSDOT is picking up momentum and getting experience. He believes Progressive DB is a valid option to look at, which is why he is on the fence.

Robynne noted that the reason WSDOT did not do Progressive DB on SR 18 was because they are using Progressive DB on SR 167 as their first full horizontal Progressive DB and they wanted to do just one, not several.

Chair Riley Hall noted that the rationale for not choosing Progressive DB for SR 18 is in the WSDOT response that Art provided. A different question to consider is whether this rationale is a strong reason, or whether WSDOT could get consultants to assist them in using this project delivery method.

Art reminded the TF that when WSDOT made its presentation of all projects to the group, they provided information on schedule and date status and included a statement that said that in no way should the existing dates bias anything in terms of TF recommendations. The proviso is plain that the recommendations need to be made and looked at. The schedule was provided as information but not to pressure the TF toward a certain recommendation.

Identify Next Steps

Minutes prepared by Jessica Letteney, Maul Foster & Alongi, Inc.

Chair Riley Hall asked for volunteers to help with report writing and Robynne Thaxton and Arthur Antoine both raised their hands. Talia will send the existing outline to Robynne. Robynne can expand on information she has, go back to minutes, flesh out information, collaborate with Arthur to add in findings from studies, and pass the draft back to everyone. All of these steps have to happen quickly.

Once the report is ready and sent to TF members for review, members must look at it as soon as possible and make edits in Track Changes and comments. The goal is to have a draft report by Thursday, 5/30, and posted as a pre-read. The TF will do a final review on Friday, 5/31. The goal is to have everyone provide feedback in Track Changes and comments in the draft by Friday, 5/31, to eliminate the need for another meeting.

Co-Chair Riley Hall and Co-Chair Zamzow will be checking in with every member of the TF to make sure they've had a chance to look at the report.

June 19 is a state holiday, but the co-chairs agreed that it might be worth it to wait and see what the legislature says in response to the first report and reconvene in July. If there are any adjustments to the report, the TF can use the 6/5 to make them.

Establish Next Meeting Agenda – Discussion

The agenda for the June 5 meeting will include the following:

- Review and approve notes from the May 22 meeting.

Co-Chair Riley Hall adjourned the meeting.

The meeting adjourned at 4:58 p.m.

Next meeting: CPARB Special Meeting on June 3, 2024, 9:30 a.m.

Action Items

1. Robynne Thaxton will provide the empirical studies of project delivery methods to the group.
2. Arthur Antoine will contribute some quantitative studies of project delivery methods.
3. Robynne to add delivery methods and WSDOT's cost overrun explanations to her evaluation of 2023 WSDOT project costs and provide to the TF for consideration as a report appendix.
4. Robynne will go back through the minutes of past meetings to capture recommendations made during those discussions.
5. Arthur Antoine will provide some of the data he's analyzed so that the TF can look at it and it can be included in the report.
6. Talia will send the existing report outline to Robynne.
7. Robynne and Arthur will collaborate on drafting the report.
8. TF members will review the report using Track Changes and comments and send the report back to Talia by end of day on Friday, 5/31.

Recommendations

- The legislature may consider commissioning an empirical study of transportation projects that includes evaluation of delivery methods and costs.
- WSDOT communicates early to the Transportation Commission to keep them informed of the escalation of costs.
- WSDOT might consider is related to softening up the commercial terms, such as bonds and warranties, in the interest of cost. That might be a way to recalibrate the risk and have a meaningful conversation with contractor to start sharing the risk.
- It takes a certain amount of time and effort to understand project risks before an owner can arrive at cost certainty. Janice thinks it might be appropriate to communicate this concept as part of the report.
- Ask DB teams whether there is something in the procurement or something in the contract or specifications that is unnecessarily increasing price or whether there some way that the price could be more efficient. It is possible to have this discussion without being specific while still getting some valuable information from contractors/ bidders.
- One possible recommendation is that WSDOT have a base cost of must-have items and then the projects can layer in the items that are beyond must-haves.

- Review Justification to Award memos to adjust features and help WSDOT adjust their cost estimating practice.
- The TF can acknowledge that WSDOT's decision was good and recommend some other ways to execute the project. More options are available if, for example, WSDOT is willing to relax on schedule. It would be effective to show the different tradeoffs as feedback to the legislature.

References/Resources

- [WSDOT Project Delivery Method Review Task Force Homepage](#)
- RCWs [47.20.780](#) and [47.20.785](#)
- RCWs [39.10.300](#) and [39.10.340](#)
- [GCCM Certification Application](#)
- [Project Evaluation Criteria General Contractor/Construction Manager](#)
- [Project Evaluation Criteria Design-Build](#)
- [WSDOT SR 167, I-5 to SR 161 – New Expressway DB Project Application](#)
- [WSDOT Cost Estimating Manual for Projects](#)
- [Engrossed Substitute House Bill 2134](#)
- [Design Build State of Practice: Recommendations for Agencies and Industry on Effective Project Delivery](#)