

**CAPITAL PROJECTS ADVISORY REVIEW BOARD**

**Virtual Meeting Minutes - *DRAFT***

**December 12, 2024**

| <b>MEMBERS PRESENT</b>                 | <b>REPRESENTING</b>          | <b>MEMBERS ABSENT</b> | <b>REPRESENTING</b>      |
|--|------------------------------|-----------------------|--------------------------|
| Linneth Riley-Hall ( <i>Chair</i> )    | Transportation               | Lekha Fernandes       | OMWBE                    |
| Keith Michel ( <i>Vice Chair</i> )     | General Contractors          | Bobby Forch Jr.       | Disadvantaged Businesses |
| Becky Blankenship ( <i>Alternate</i> ) | Private Industry             | Senator Bob Hasegawa  | Senate (D)               |
| Robert Blain                           | Counties                     | Irene Reyes           | Private Industry         |
| Garett Buckingham                      | Public Hospital Districts    | Kara Skinner          | Ins./Surety Industry     |
| Erin Fraser                            | Counties                     | Rep. Mike Steele      | House (R)                |
| Bill Frare                             | Dept. of Enterprise Services | Rep. Steve Tharinger  | House (D)                |
| Bruce Hayashi                          | Architects                   | Senator Judy Warnick  | Senate (R)               |
| Santosh Kuruvilla                      | Engineers                    | Janice Zahn           | Ports                    |
| Karen Mooseker                         | School Districts             |                       |                          |
| Mark Nakagawara                        | Cities                       |                       |                          |
| Steven Russo                           | Specialty Contractors        |                       |                          |
| John Salinas II                        | Specialty Contractors        |                       |                          |
| Robin Strom                            | General Contractors          |                       |                          |
| Josh Swanson                           | Construction Trades Labor    |                       |                          |
| Olivia Yang                            | Higher Education             |                       |                          |

***Staff & Guests are listed on the last page***

**CALL TO ORDER & ROLL CALL FOR QUORUM**

Vice Chair Keith Michel called the virtual meeting of the Capital Projects Advisory Review Board (CPARB) to order at 8:02 a.m. A meeting quorum was confirmed.

**WELCOME BOARD MEMBERS & INTRODUCTIONS**

Vice Chair Michel welcomed everyone to the meeting and acknowledged the attendance of new members Robert Blain representing Counties and Erin Fraser representing Construction Trades Labor.

**APPROVE AGENDA – *Action***

Suggested revisions to the agenda included removal of the reports from the Education Connections Committee, GC/CM Committee, and the JOC Evaluation Committee. Members discussed shortening the length of the meeting to end at approximately 10 a.m.

***Olivia Yang moved, seconded by Erin Fraser, to approve the agenda as modified. A voice vote approved the motion unanimously.***

**APPROVE MEETING MINUTES – October 10, 2024 & November 18, 2024 – *Action***

***Bill Frare moved, seconded by Olivia Yang to approve the October 10, 2024, and November 18, 2024, meeting minutes as published. A voice vote approved the motion unanimously.***

**INVITATION FOR PUBLIC COMMENTS – *Information***

There were no public comments.

**CHAIR REPORT**

Vice Chair Michel acknowledged the attendance of Chair Linneth Riley-Hall to the Senate Committee on Government & Elections to present the Board’s recommendations on prompt pay.

**LEGISLATION OF INTEREST**

Talia Baker reported on the filing of 83 pre-files bills within the first several weeks in preparation of the beginning of legislative session. None of the bills affect the Board at this time. She invited members to contact her via email of any proposed bills that might be of interest to the Board.

Nancy Deakins advised of potential legislation resulting from the Board’s recommendations on prompt pay by Senator Valdez.

## **COMMITTEE & WORKGROUP REPORTS**

### **Board Development Committee - *Information***

Co-Chair Bill Frare reported the committee is working on developing a charter for the strategic planning project. Members discussed some of the details of what the charter should include. Efforts have concentrated on development of the charter and the scope of work. The committee continues to experience problems obtaining resources for a facilitator through DES. The recent state freeze on goods and services has added some complexity to the issue.

### **SHB 1621 Review Committee – *Action***

Co-Chair Michel advised of action necessary to disband the committee.

Mr. Frare commented that Chair Riley-Hall had requested a review of the legislation. The committee's changes were based on SHB 1621 (*2023 legislative session*). He incorporated some proposed changes within statute language. During his review of the committee's proposed changes, he identified several questions that should be resolved to ensure there are no additional edits without an appropriate review and feedback from committee leadership. The proposal changes would improve the language and eliminate some of the ambiguity and redundancy. He recommended a separate meeting with Co-Chair Michel to review the changes to finalize the draft legislation.

Co-Chair Michel agreed to meet with Mr. Frare and delay official action to dissolve the committee.

Ms. Yang recommended dissolving the committee after the report and legislation have been submitted.

***Olivia Yang moved, seconded by Bill Frare, to dissolve the SHB 1621 Review Committee following the submittal of the report and proposed changes to legislation. A voice vote approved the motion unanimously.***

Ms. Baker advised that she will forward an email to members with the information after the report and legislation have been finalized and forwarded.

### **BE/DBI Committee – *Information***

Committee member Olivia Yang provided an update on the work by the committee. The focus of the committee is on prompt pay in the context of change orders. The committee is scheduling meetings to determine a deadline for any proposal. It is likely the committee will follow the same template for review of regular prompt pay issues by determining what is different with respect to change orders, as well as what would be applicable as part of prompt pay. The committee is scheduled to meet on Wednesday, December 18, 2024. Committee workgroups are scheduled to begin meeting regularly in January 2025.

Aleanna Kondelis added that the committee is also exploring retainage issues. The committee is also seeking participation by a representative from the Department of Labor and Industries.

### **Project Feedback Process Workgroup – *Information/Action***

Co-Chair Jeff Gonzalez reported the workgroup presented a draft process at the Board's September meeting. The Board accepted the process based on resolution of several minor issues. The workgroup plans to finalize the draft process at the January meeting for review by the Board for approval.

Ms. Yang suggested sunsetting the workgroup following the final submission and approval of the draft process by the Board.

Co-Chair Gonzalez advised that finalization of the draft process would be coordinated by the Co-Chairs rather than the workgroup and any action to sunset the committee following the submittal would be appropriate.

***Olivia Yang moved, seconded by Steve Russo, to disband the Project Feedback Process Workgroup following the successful submittal of the draft process to the Board at its January meeting. A voice vote approved the motion unanimously.***

### **Project Review Committee – *Information***

Chair Jessica Murphy reported that during the last meeting, the committee approved five project applications for a total of 49 project applications considered during 2024. At the business meeting, members approved adding the owner readiness questions to the application effective for application submittals after January 2025. Current and former PRC members participated in the MRSC Owner Readiness workshop hosted on December 11, 2024.

Ms. Baker added that during 2024, the PRC approved \$9.8 billion in public construction projects, which is the largest dollar volume of projects PRC has ever approved.

Chair Murphy noted that during the last PRC meeting, in addition to large dollar projects, several smaller projects were considered. One GC/CM project was for \$20 million as well as a small but complicated project at Cleveland High School for a \$3 million ADA pathway project. The trend reflects some interesting uses of alternative delivery for specific types of projects that are reflective of the depth and breadth of the opportunity for utilizing alternative delivery methods.

Ms. Baker reported that of the 49 project applications submitted in 2024, 47 project applications were approved with several applications withdrawn. In addition to the project applications, four agency certifications were considered, but only 3 were approved.

Vice Chair Michel expressed appreciation to members of the PRC for their work and efforts contributed to the committee's process.

Ms. Baker shared a screen shot of the Project Review Committee page under Statistics within CPARB's Home Page reflecting the work completed by PRC each year since 2007.

#### **GC/CM Committee – Best Practices Update – Information**

Members were referred to a pre-read for an update on the committee.

#### **JOC Evaluation Committee – Information**

Co-Chair Kondelis reported the committee continues to work on finalizing a report. A survey was released through a third party. Members are reviewing the survey results with a presentation scheduled to the Board on the committee's work plan for updating the Best Practices Guidelines.

#### **WSDOT Project Delivery Method Review Task Force – Information/Action**

Vice Chair Michel summarized accomplishments by the task force to date. The committee has submitted the Final Report presented to the Board at its last meeting. On behalf of the Board, he thanked members who participated in the effort as the work was on a tight timeframe and was challenging. The WSDOT team was led by Art McCluskey. The WSDOT team provided timely responses to all task force requests for information. Vice Chair Michel acknowledged the efforts by Co-Chairs Riley-Hall and Tom Zamzow. Individual thanks go to Robynne Thaxton for her efforts in drafting each report submitted to the Transportation Committee. The task force has concluded the review of WSDOT delivery methods.

***Olivia Yang moved, seconded by Bill Frare, to disband the WSDOT Project Delivery Method Review Task Force. A voice vote approved the motion unanimously.***

#### **NEW BUSINESS**

##### **Member Ideas/Discussion Time – Information**

Mr. Frare reported the Board Development Committee has three vacant positions. Currently, the committee's representation includes owners, PRC, and private industry but lacks representation from general contractors, specialty contractors, and architects.

Ms. Yang identified the committee's selection of three candidates to fill the three positions.

*Steve Russo nominated Mike Pellitteri representing Specialty Contractors.*

John Salinas said he has known Mr. Pellitteri for some time. He is a diverse contractor in terms of scope. He is based in Snohomish County and would represent small businesses. He supported the nomination.

***By a vote of unanimous affirmation, Mike Pellitteri was appointed to the Board Development Committee representing Specialty Contractors.***

*Olivia Yang nominated Bruce Hayashi to serve on the committee representing architects. Bill Frare seconded the nomination.*

***By a unanimous vote of affirmation, Bruce Hayashi was appointed to the Board Development Committee representing Architects.***

*Olivia Yang nominated Dave Johnson to serve on the committee representing General Contractors. Bill Frare seconded the nomination.*

***By a unanimous vote of affirmation, Dave Johnson was appointed to the Board Development Committee representing General Contractors.***

## ADMINISTRATIVE

### **Budget Report** (*Update included as a pre-read*)

Ms. Deakins noted the budget forecast reflects an overrun attributed to the preparation of committee meeting minutes. Additionally, staff is exploring how the recent freeze in government activities might affect the Board's budget. The Board's action to disband three committees will assist in reducing costs moving forward.

Vice Chair Michel asked about the budget process for preparing the Board's budget, such as automatically using the previous year's budget as a template. Mr. Frare said DES receives a block of funds for all project management, diverse business efforts, and CPARB. DES allocates the amount internally between the different accounts with some flexibility within the budget to cover additional costs of the Board.

Ms. Deakins said she understands the freeze does not affect the capital budget. Mr. Frare clarified that the freeze does not affect public works contracting but does affect goods and services, travel, and equipment costs. The Department is required to seek authority to move forward with any costs associated with goods and services, equipment, or travel that is considered non-essential.

### **Recap of Action Items – Information/Action**

- Schedule a meeting between Vice Chair Michel and Bill Frare to finalize SHB 1621.
- All members should track legislative activities and committee leadership should be prepared to engage in testimony representing CPARB contributions during any legislative discussions. Mr. Frare cautioned members to be cognizant of testifying as a representative of CPARB in their capacity as a Board member, as well as avoiding representation as a CPARB member on other issues not involving the Board.
- Staff will update the Board Development Committee member roster.

*Mr. Kuruvilla arrived at the meeting at 8:55 a.m.*

### **February 13, 2025 Draft Agenda**

Members discussed the proposed agenda for the February 13, 2025 meeting:

- Minutes: December 12, 2024
- Committee/Workgroup Reports:
  - Board Development
  - BE/DBI Committee
  - Project Feedback Process Workgroup (Action)
  - Project Review Committee
  - Education Connections
  - GC/CM Best Practices (draft report)
  - JOC Evaluation Committee
- Legislation of Interest

### **Other Business**

Chair Riley-Hall arrived at the meeting at 9:00 a.m. after presenting the Board's recommendation on prompt pay to the Senate State Government & Elections Committee. Santosh Kuruvilla and Lekha Fernandes also attended and supported the presentation. The presentation was well received with one follow-up question on prompt pay that the BE/DBI Committee has been tasked to address with no report or follow-up with the Legislature necessary. Legislators questioned how soon the recommendations could be implemented. The committee complimented the work of both CPARB and the BE/DBI Committee for its review of prompt pay issues and the recommendations developed for legislative consideration. One legislative question spoke to whether the vote was unanimous by the Board on the recommendations. Legislators were informed that the recommendations were unanimous. Senator Valdez was very pleased with the thorough presentation. Chair Riley-Hall thanked Nancy Deakins and Talia Baker for their assistance in developing the presentation. She thanked Mr. Kuruvilla for attending and answering questions. Senator Valdez indicated that he plans to initiate work on the legislation with another Senator.

Chair Riley-Hall wished everyone a safe and happy holiday season with friends and family.

### **ADJOURNMENT**

***Bill Frare moved, seconded by Olivia Yang, to adjourn the meeting at 9:10 a.m. A voice vote approved the motion unanimously.***

***Staff & Guests***

Liz Anderson, WPUDA

Talia Baker, Department of Enterprise Services

Nancy Deakins, Department of Enterprise Services

Jeff Gonzalez, Department of Enterprise Services

Valerie Gow, Puget Sound Meeting Services

Joshua Hunter

Dave Johnson, Hoffman Corporation

Aleanna Kondelis, Hill International

Monique Martinez, Department of Enterprise Services

Art McCluskey, Washington State Dep. Of Transportation

Brianna Morin, Association of Washington Cities

Jessica Murphy, City of Seattle/PRC

Travis Nelson, WPUDA

Riley Olleno, Benton County

Gina Owens, City of Seattle

Michael Transue, MCAWW

Charles Wilson, Department of Enterprise Services