

CAPITAL PROJECTS ADVISORY REVIEW BOARD

Virtual Meeting via Teams

Meeting Minutes

September 11, 2025

MEMBERS PRESENT	REPRESENTING	MEMBERS ABSENT	REPRESENTING
Linneth Riley-Hall (<i>Chair</i>)	Transportation	Garett Buckingham	Public Hospital Districts
Robert Blain	Counties	Erin Fraser	Counties
Steven Ellis (<i>Proxy</i>)	Cities	Senator Bob Hasegawa	Senate (D)
Lekha Fernandes	OMWBE	Keith Michel (<i>Vice Chair</i>)	General Contractors
Bobby Forch Jr.	Disadvantaged Businesses	John Salinas II	Specialty Contractors
Bruce Hayashi	Architects	Kara Skinner	Ins./Surety Industry
Janet Jansen (<i>Proxy</i>)	Dept. of Enterprise Services	Rep. Mike Steele	House (R)
Santosh Kuruvilla	Engineers	Rep. Steve Tharinger	House (D)
Eric Lindstrom (<i>Proxy</i>)	General Contractors	Senator Judy Warnick	Senate (R)
Karen Mooseker	School Districts		
Heather Munden	Ports	<i>Vacant</i>	Construction Trades Labor
Irene Reyes	Private Industry		
Steven Russo	Specialty Contractors		
Robin Strom	General Contractors		
Robynne Thaxton	Private Industry		
Olivia Yang	Higher Education		

Staff & Guests are listed on the last page

CALL TO ORDER & ROLL CALL FOR QUORUM

Chair Linneth Riley-Hall called the virtual meeting of the Capital Projects Advisory Review Board (CPARB) to order at 8:03 a.m. A roll call of members established a meeting quorum.

WELCOME BOARD MEMBERS & INTRODUCTIONS

Chair Riley-Hall welcomed members.

APPROVE AGENDA – *Action*

Minor adjustments to the agenda included changing the order of the report from the Board Development Committee as the third committee report and moving the discussion on Prompt Pay as the first item under New Business.

Robynne Thaxton moved, seconded by Olivia Yang, to approve the agenda as amended.

A voice vote approved the motion unanimously.

APPROVAL OF MEETING MINUTES – May 8, 2025 – *Action*

Robynne Thaxton moved, seconded by Irene Reyes, to approve the May 8, 2025 meeting minutes as published.

A voice vote approved the motion unanimously.

INVITATION FOR PUBLIC COMMENTS – *Information*

There were no public comments.

CHAIR REPORT

Members participated in a moment of silence in observation of the anniversary of the tragic 9/11 attacks.

Members observed a moment of silence for colleague Vicky Schiantarelli, who passed away in early July. She served as a DBE representative on the Project Review Committee (PRC) and was a strong DBE advocate who made a huge impact on the local construction community and participated on several CPARB committees.

Chair Riley-Hall thanked and acknowledged members for their time and commitment as a member of the Board. She reviewed the Board's Shared Commitments.

COMMITTEE & WORKGROUP REPORTS – *Information/Action*

Job Order Contracting (JOC) Evaluation Committee

Co-Chair Aleanna Kondelis reported on efforts to develop a work plan. The committee was tasked with data collection, developing best practices, and providing recommendations for legislative changes. A Best Practices Manual was published three years ago. The work plan includes analyzing the application of best practices, collecting data, and reviewing potential changes in the future. Data collection has been an ongoing struggle. The proposed work plan includes

options for effective data collection. The Board is asked to consider the committee's membership. Previous leadership members Linda Shilley and Quinn Dolan led efforts on speaking engagements on JOC Best Practices. During the last several years, a shift in JOC contracting speaks to the need for more subcontractor engagement and better practices for inclusion, equity, and diversity for small businesses.

The Board is asked to consider some changes in membership to ensure different perspectives as the committee works through the work plan. Proposed changes include appointing Theresa Bauccio-Teschlog, Procurement Manager with the City of Everett and eliminating the voting position for the University of Washington at this time until the university completes staffing changes.

Chair Riley-Hall recommended deferring consideration of membership changes following completion of reports from the Small Works Roster and Board Development Committee.

Co-Chair Kondelis reviewed details of the work plan, changes in JOC practices over the last several years, changes in certifications, changes in small works creating opportunities for the inclusion of small businesses, ensuring the availability of resources for the committee to respond to Joint Legislative Audit and Review Committee (JLARC) recommendations, and preparing for future reauthorization.

In response to questions as to the intent of the work plan, Co-Chair Kondelis explained that the committee was tasked to collect data on best practices to ascertain any future legislative changes. Early discussions speak to the need for some threshold changes. Additionally, as JOC is included in RCW 39.10, it is important to continue the committee's work. The committee plans to respond to JLARC recommendations on data usage.

Co-Chair Gina Owens added that the overall goal of the committee is to review JOC legislation and offer recommendations on improvements, to include increasing the limits because not all public agencies are able to utilize the JOC contracting method.

Olivia Yang recommended revisiting sunseting of committees based on the Board's previous discussion.

Small Works Roster Budget Issues *Information/Action*

Jon Rose, Municipal Research and Services Center (MRSC), shared information on the Public Works Training Program and the statewide Small Works Roster. The Public Works Training Program trains over 10,000 government staff and contractors annually in partnership with Washington APEX Accelerator (*formerly the Washington Procurement Technical Assistance Center*). The statewide Small Works Roster serves approximately 800 state agencies encompassing 7,000 businesses.

The Board initiated both programs following successful legislation (SB 5418) initiated in 2018 based on an assignment from the Legislature to conduct a study to review common contracting processes and thresholds and consider recommendations to increase uniformity and efficiency. The legislation created the statewide Small Works Roster and Public Works Training Program, as well as rates of participation for small, minority and women-owned businesses. The study was completed by CPARB with recommendations forwarded to the Legislature to create a centralized small works roster and provide professional assistance to local governments and contracting guidance to contractors.

Representative Janice Zahn presented the recommendations to the House and Senate Local Committees and funding was allocated for the Public Works Training Program with CPARB continuing to work on the creation of the statewide Small Works Roster and direct contracting process.

Funding was not allocated for the programs during this last legislative session. During a series of communications and feedback gathering sessions on both programs, MRSC advised CPARB's Board Development Committee of the funding cut and solicited feedback on potential paths to replace lost funding. Other stakeholders were notified that MRSC would be resuming a fee-based model including adjustment of some fees and reinstating fees for Small Works Roster participants. Information about the lack of funding was communicated to both agency and business participants in July and August.

The new funding model reflects some pricing modifications and consolidation of several pricing tiers for agencies with a lower tier of signups to lessen the impact of budget cuts to those agency participants. Business pricing will be reinstated for fees for small works participants. MRSC will continue to offer free account access to Public Works Small Business Enterprises (PWSNE) certified businesses through the end of June 2026 with a phased pricing structure considered for subsequent years. Based on the lack of funding, training and technical assistance has been scaled back with some fundamental training provided on a fee basis.

Tiffany Scroggs, Washington APEX Accelerator, said the organization is pivoting to a federal funding model to serve as a bridge between federal government agency buyers, small business communities, and prime contractors to ensure the industry base remains strong, that adequate competition continues, and firms understand the marketplace. The organization can continue to serve a few small public works local government agencies as well as offer some training utilizing federal funds. Huge demands continue to exist that the organization is unable to serve for local public works, newer firms, and firms unwilling or unsure how to compete in the marketplace. Unfortunately, with the loss of state funding, the organization is unable to provide services. MRSC is not charging for 101 advising services. MRSC is operating at a decreased level with prime contractors offered opportunities to engage through a sponsorship program to help connect small businesses with prime contractors to ensure adequate competition for subcontracting opportunities.

In response to questions and comments from the Board, Mr. Rose explained that the Washington State Department of Transportation (WSDOT) wants to maintain a separate roster for WSDOT. The Department of Enterprise Services (DES) and other state agencies are participants in the statewide Small Works Roster in addition to local governments. WSDOT's funding would only fund the agency's roster. Funding for the statewide Small Works Roster was allocated by the legislature of \$711,000 for the 2025/2026 biennium to provide free access to the Small Works Roster through July 2026. Beginning in 2027 and 2028, MRSC will offer access through a fee-for-service regardless of the size of the business. A second funding amount was allocated to APEX and MRSC to conduct technical assistance and training on a variety of topics of new legislation. As MRSC is hosting the services on behalf of other entities, the update is intended to communicate the status of funding for the programs with other entities responsible for advocating for funding. The Department of Commerce provided the pass-through mechanism for funding the roster. MRSC also receives other funding from the Department of Commerce to provide other services for local governments.

Board Development Committee – Information

Co-Chair Riley-Hall referred to the committee's discussion on the Small Works Roster. The committee understood a donation from WSDOT would enable PWSBE firms to access the Small Works Roster at no cost through July 1, 2026 and that MRSC would pursue continued funding. However, based on comments from Mr. Rose, MRSC is working to finalize a fee structure regardless of the size of the firm with the possibility of an adjustment for PWSBE firms. The committee agreed the issue of funding should be eliminated from the committee's agenda. Committee members voted unanimously to remove the issue from consideration. Regardless of the status of funding, the Small Works Roster is codified in the RCW.

At the July 1st committee meeting, members reviewed the status of the JOC Evaluation Committee. Co-Chair Riley-Hill thanked Co-Chairs Owens and Kondelis for the update. Members agreed the JOC Evaluation Committee successfully completed its original tasks. Currently, there is no clear legislative or statutory mandate requiring the committee to continue. If further deliverables are identified either legislatively or by the Board, the committee could be re-instituted. Committee members agreed that training provided by JOC committee members should avoid mentioning that the training is endorsed by CPARB as it may imply budget implications or pose some risks. The committee voted at its July meeting to recommend the Board sunset the JOC Evaluation Committee while encouraging members to continue professional discussions and outreach individually.

Irene Reyes moved, seconded by Olivia Yang, to sunset the JOC Evaluation Committee effective immediately. A voice vote approved the motion unanimously.

Co-Chair Riley-Hall thanked and recognized Co-Chairs Owens and Kondelis and committee members for the work completed on behalf of the Board. Irene Reyes encouraged members to consider participating in other Board committee meetings.

Co-Chair Riley-Hall reported the committee also discussed strategic planning. One topic is re-imagining the PRC. At the next meeting, the focus will be on re-imagining the PRC in terms of the intent and purpose of the PRC, whether efforts today are effectively fulfilling the original intent and purpose of the PRC, and whether any changes might be necessary to existing legislation. The next meeting on October 7, 2025 is a virtual meeting and will be important to attend. The approach by the committee is to draft a report summarizing the topics of discussion to include JOC and evaluation of all CPARB committees. A draft preliminary strategic plan has been prepared, which will be presented at the October CPARB meeting.

Talia Baker advised that the draft strategic plan is also available on the second page of each Board Development Committee Agenda.

Construction Cost Escalation (for SWR) Committee – Information/Action

Chair Olivia Yang reported the committee was established in response to a request by the Legislature to consider the threshold for Small Works Roster projects and provide a recommendation on an appropriate threshold for the next five years. The committee discussed different indices and supported utilizing the Consumer Price Index (CPI) and the Construction Cost Index (CCI). The proposal from specialty contractors and labor was to change the threshold from \$350,000 to \$500,000 in response to concerns that the industry is in a period of market uncertainty and volatility. The proposal includes an increase of \$30,000 annually for the next five years. Earlier discussions included the ability for some owners to pilot a threshold up to \$1 million and provide a report to the Board on outcomes. Additionally, there is also flexibility that even though the RCW stipulates five years, there could be a check-in period mid-point of the five years in the event market uncertainty worsens. It is likely a Washington Administrative Code (WAC) may be necessary to address implementation of Small Works Rosters. The pre-read should be amended to reflect recent discussions on the threshold of \$500,000 with an increase of \$30,000 annually for specialty contractors and labor. Small businesses shared a different view of the volatility of the market and proposed a greater amount of either 10% or \$50,000 each year until 2030. Members discussed a preference for the RCW to stipulate a specific amount for this year rather than referencing an index. Members agreed to add language in the RCW that identifies specific amounts for each of the five years with the amounts based on an annual dollar increase. The committee plans to conclude the discussion and vote at the next meeting on September 24, 2025 to present the proposal and a draft bill to the Board at the October meeting.

Chair Riley-Hall thanked committee members for meeting throughout the summer to develop a proposal.

Chair Yang acknowledged the collaboration by committee members. Ms. Reyes participated in committee meetings but was not appointed to the committee as a small business representative. She requested appointment of Ms. Reyes to the committee.

Robynne Thaxton moved, seconded by Linneth Riley-Hall, to appoint Irene Reyes to the Construction Cost Escalation Committee as the representative of the Association Small/Diverse Business. A voice vote approved the motion unanimously.

BE/DBI Committee – Information/Action

Co-Chair Lekha Fernandes provided the report. The committee reviewed issues surrounding prompt pay legislation. Members focused on retainage and change orders and created two workgroups for each topic. The workgroups created a draft form of best practices for change orders and retainage. Within the category of change orders, the workgroup identified types of changes as well as creating overall best practices for owners, prime contractors, and others to ensure prompt payment and payment cycles for change orders. The draft documents were provided as pre-reads for the Board to provide feedback to the committee. Both workgroups will launch a survey to receive additional feedback from individuals to ensure best practices and recommendations are in alignment with existing problem areas as well as to ensure the solutions help to address those problems areas. The survey is scheduled to be drafted by the end of the September. Each Board member will receive a survey. Outreach by committee members will continue to receive additional feedback from other individuals. The committee desires to work with the Board to publish best practices following completion of the survey and additional outreach.

Co-Chairs Santosh Kuruvilla and Irene Reyes expressed appreciation to Co-Chair Fernandes for her leadership to ensure efforts continued to move forward to identify the issues.

Chair Riley-Hall stressed the importance of members providing the committee with feedback. She encouraged members to share the information within their respective organizations to receive feedback.

Chair Riley-Hall recessed the meeting from 9:40 a.m. to 9:55 a.m. for a break.

Bobby Forch, Jr. disconnected from the meeting during the break.

Project Review Committee – Information

Chair Dave Johnson thanked Jessica Murphy for her service as Chair of the PRC. He welcomed Eza Agnes as PRC Vice Chair. The PRC welcomed five new members effective July 1, 2025. New members received on-boarding and were assigned mentors.

At the May 22, 2025 meeting, the committee considered one GC/CM Recertification, three Design-Build projects, and four GC/CM projects. All project proposals with a cumulative value of \$2 billion were approved by members.

At the July 24, 2025 meeting, members reviewed eight project proposals comprised of one GC/CM Recertification, two Design-Build projects, and five GC/CM projects with a combined value of \$1.25 billion. Eight proposals were approved with one denial of part of a GC/CM project requesting an alternative subcontractor selection process for 13 different scopes of work for the project. Because of inconsistencies in the alternative subcontractor selection procurement applications, the actual calculated costs of those packages and several not meeting the minimum RCW requirements, the alternative subcontractor selection procurement portion of the application was not approved.

The September meeting spans two days to consider project proposals for three recertifications, nine GC/CM projects, and three Design-Build projects.

Other business included discussion on the project feedback report form. The PRC implemented the process following receipt of a complaint. Ms. Murphy worked with the public body and resolved the issue. The process proved successful as intended.

One emergency meeting request was recently received. Chair Johnson advised that he contacted the agency and it is likely the agency can submit its project proposal for consideration during the regular meeting in December.

Chair Johnson advised that he met with members of the agency that did not receive approval of the alternative subcontractor selection process.

Chair Riley-Hall invited members of the PRC and PRC leadership to attend the next Board Development Committee meeting to engage in a conversation on the next steps for Re-imagining the PRC.

NEW BUSINESS

Prompt Pay – Information/Action

Olivia Yang reported on a bill sponsored by Senator Valdez that did not move forward primarily because of fiscal notes from numerous public owners. Public owners conveyed concerns that the bill could be misconstrued as public owners have overseen discussions on the importance of prompt pay for contractors and subcontractors. As reported earlier by Ms. Fernandes, the BE/DEI Committee established two workgroups. The work of the workgroups was helpful as the original intent was for public owners to follow best practices and appoint a contact within each agency to work with subcontractors or prime contractors. As public owners engaged in discussions, there was agreement that the proposal would be effective followed by some concerns that the proposal could satisfy the bill sponsor or other stakeholders. Subsequently, efforts are underway to engage in more discussions with public owners to adopt the practices for progress prompt pay and change order prompt pay as well as seeking submittal of prompt pay programs from subcontractors.

Owners discussed adoption of best practices and appointing an agency representative as well as requiring contractors to submit during a RFP/RFQ process, ideas for instituting prompt pay programs. The discussions are ongoing with a goal to draft a bill.

Chair Riley-Hall reported on her unsuccessful efforts to meet with Senator Valdez to discuss the bill to ensure small businesses are paid promptly.

Member Ideas/Discussion Time

Chair Riley-Hall invited feedback from members.

Ms. Thaxton mentioned the legacy process of not assessing sales tax for professional services. However, within the Design-Build delivery method, professional services for both design and construction are taxed resulting in higher project costs. He would like to pursue legislative action to address the issue and is seeking feedback from members. With the advent of more mega projects pursuing Design-Build, the issue has created large financial burdens for public agencies.

Ms. Yang and Heather Munden expressed support for pursuing some legislation. Ms. Thaxton offered to submit some suggested changes at the October meeting after conducting more outreach and research.

Mr. Kuruvilla mentioned previous discussions for instituting a process during a CPARB meeting to present a recap of lessons learned from practitioners utilizing alternative delivery methods. He suggested the Board consider allocating some time to practitioners to share information on lessons learned for horizontal projects.

Ms. Yang recommended including a conversation on the proposal as part of the PRC re-imagining discussion. As a component of recertification by public owners, an element of the presentation covers the outcomes of successful projects as a basis for approving recertification. The process could provide a natural path for sharing lessons learned.

Chair Riley-Hall commented on the importance of the Board recognizing how projects have been successful because of the Board, because of lessons learned, because of the PRC and presentations, and because of the Board's work to continue to improve the RCWs. An example is Sound Transit's Federal Way Link Extension project scheduled to open for service on December 6, 2025. The project was completed using Design-Build based on legislation the Board sponsored. However, a feedback forum is lacking at the end of projects to review lessons learned unless attending a local chapter of DBIA or other national conferences.

Ms. Yang recommended including lessons learned as part of the re-imaging PRC discussion.

Ms. Reyes offered a recommendation that all reports completed by the Board should include a section on lessons learned to document processes.

Ms. Fernandes reported OMWBE is organizing two regional contracting forums in September. She encouraged participation and support by members as well as considering volunteering. The first forum is scheduled on September 17, 2025 for the 2025 Regional Contracting Forum in Auburn, Washington. The second forum will be held for the central region on September 26, 2025 to share information with businesses located in central Washington to ensure the same opportunities and information exist for those businesses.

Ms. Reyes encouraged members and agencies to participate by ensuring attendance of project managers and team leaders to engage with the communities.

ADMINISTRATIVE

2026 Meeting Dates of 2/12, 4/9, 5/14, 9/10, 10/8, and 12/10/2026

Ms. Baker requested approval of the proposed 2026 meeting dates. The approved meeting dates will be forwarded to the Governor's Office.

Olivia Yang moved, seconded by Irene Reyes, to approve the meeting dates of 2026 as presented.

A voice vote approved the motion unanimously.

Budget Report

Nancy Deakins shared a copy of a newly released budget report recapping the budget for the last biennium leaving a budget balance of approximately \$20,000. Increases in the budget for the next biennium have been included as well as funds for travel, if required for in-person meetings by the PRC and the Board.

Ms. Deakins addressed questions on the allocation of staff resources to support the Board and PRC. She offered to follow-up on whether funds from one category can be assigned to another expense category.

Recap of Action Items – Information/Action

Ms. Deakins reviewed action items:

- Board Development Committee to present draft Strategic Plan at the October 9, 2025 meeting
- CPARB members were encouraged to attend the re-imaging PRC discussion on October 7, 2025
- Members to provide feedback to BE/DBI Committee on documents on Best Practices Change Orders and Retainage
- BE/DBI Committee to launch survey on best practices
- Members will assist in distributing the survey to others
- Chair Riley-Hall to connect with Senator Valdez on prompt pay bill
- Provide follow-up on whether travel budget or other budget line items can be used for other expenses (Nancy Deakins)

October 9, 2025 Draft Agenda

- Minutes – September 11, 2025
- Committee/Workgroup Reports:
 - Board Development (Mentors for new members & strategic planning)
 - BE/DBI Committee
 - Construction Cost Escalation Committee
 - PRC
- WSU Design-Build Demonstration Project Report

- New Business
- Recap of Action Items

ADJOURNMENT

Olivia Yang moved, seconded by Irene Reyes, to adjourn the meeting at 10:47 a.m.

A voice vote approved the motion unanimously.

Staff & Guests

Eza Agoes, Sound Transit

Talia Baker, Department of Enterprise Services

Ryan Cuoio, Eagle Harbor Mechanical

Nancy Deakins, Department of Enterprise Services

Steve Ellis, Association of Washington Cities

Valerie Gow, Puget Sound Meeting Services

Melanie Harding, MRSC

Dave Johnson, Hoffman Corporation

Aleanna Kondelis, Hill International

Lisa Lagerstrom, MRSC

Monique Martinez, Department of Enterprise Services

Art McCluskey, WSDOT

Anthony Middleton, Kiewit Corporation

Brianna Morin, Association of Washington Cities

Jessica Murphy, City of Seattle/PRC

Paul Nozdrin, Westco Floors & Interiors

Gina Owens, City of Seattle

Jon Rose, MRSC

Tiffany Scroggs, Washington APEX Accelerator

Michael Transue, MCAWW

Jerry Vanderwood, Association of General Contractors