

CAPITAL PROJECTS ADVISORY REVIEW BOARD

Sunset Review Performance Summary

Alternative Public Works Procedures (Chapter 39.10 RCW)

Status Report to the Joint Legislative Audit Review Committee

February 2026

Background and Introduction

RCW 39.10 covers the membership and duties of the Capital Projects Advisory Review Board (CPARB) and the Project Review Committee (PRC) as well as the Design-Build, General Contractor/Construction Manager (GC/CM), and Job Order Contracting (JOC) alternative public works contracting procedures.

RCW 39.10 will sunset on June 30, 2031, unless the Legislature reauthorizes it. The Sunset Act requires the Joint Legislative Audit Review Committee (JLARC) to review programs in the year before their expiration date, a “sunset review.”

In 1991, the Legislature authorized the use of alternative public works contracting methods for the Department of Corrections. Since then, the Legislature has repeatedly expanded this authority to include more public bodies and project sizes.

In 2005, the Legislature created the CPARB to evaluate public capital construction projects processes, and to advise the legislature on policies related to public works delivery methods.

In 2007, with CPARB’s recommendation, the Legislature reauthorized RCW 39.10 and created the PRC to evaluate if public bodies met knowledge and experience criteria to carry out Design-Build and GC/CM alternative public works contracting methods. The PRC would also evaluate if the public body’s project met the criteria to use the proposed alternative public works contracting method. The PRC also certifies experienced public bodies to use the alternative delivery methods without seeking approval from the PRC for each project.

In 2013, JLARC’s sunset review concluded that the alternative public works procedures were being used in a manner consistent with the Legislature’s intent and consistent with public interest,¹ and the Legislature reauthorized RCW 39.10.

In 2020, JLARC’s sunset review concluded alternative delivery methods are widely used, CPARB has created a forum for stakeholders to continually improve project delivery,² and the Legislature reauthorized RCW 39.10.

Purpose

This report is provided at the request of JLARC for CPARB to periodically summarize the status of performance measures of RCW 39.10 for JLARC’s 2030 sunset review. Because JLARC did a thorough review of CPARB and RCW 39.10 in 2020, this report aims to establish performance metrics and focuses on performance since the 2020 Report.^{2 3}

Contents/ Status on Performance Measures:

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- Advise the Legislature
- Increase opportunities/participation of Minority, Women, Veteran, and Small Businesses
- Appoint PRC Members

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- Certify public bodies to use Design-Build and/or GC/CM
- Process Improvements

Part III – Alternative Public Works Procurement

- Design Build
- GC/CM
- JOC

Appendix A – Lessons Learned 2022-2025

¹ JLARC Report 13-2: Alternative Public Works Sunset Review, part 4, pg. 25.

² JLARC 20-06 Final Report: Alternative Public Works Contracting Procedures Sunset Review

³ In the normal course, performance metrics for review would have been established following enactment of the statute requiring the sunset review. Performance metrics updated after the 2020 review have not been located. As a result, this summary aims to establish performance metrics and focus on performance of statutory duties and achievement of the recommendations in the 2020 Report.

I. Capital Projects Advisory Review Board

A. Advise the Legislature (RCW 39.10.200, 39.19.220, 39.10.230)

Performance measures:

- Number of bills recommended by CPARB and passed into statutes.
 - There have been 7 CPARB recommended/supported bills which have passed into statute:
 - HB 1549 (2025) – Modifying the responsible bidder criteria for public works projects
 - HB 1967 (2025) – Modifying bonding requirements in the design portion of design-build public works projects
 - HB 1970 (2025) – Concerning state highway construction project alternative contracting procedures
 - SB 6040 (2024) – Concerning prompt payment in public works
 - HB 1621 (2023) – Concerning standardizing local government procurement rules among special purpose districts, first-class and second-class cities, and public utility districts
 - SB 5268 (2023) – Addressing equity and efficiencies in public works procurement including modifying small works roster requirements
 - SB 5032 (2021) – Reauthorization of RCW 39.10
 - Added one DBE position to the CPARB Governor Appointed positions.
 - Board – Powers and Duties; added language around equity and considerations for reducing barriers to Board’s duty of recommending policies to the legislature.
 - PRC Membership; Added that PRC members appointed by the Board must include at least one member representing the interests of disadvantaged business enterprises.
 - PRC Panels; added that each panel having balanced representation of private and public sector... and should to the extent reasonably practicable, include a member representing the interests of disadvantaged business enterprises.
 - Design Build Award Process – RFP (Phase 2 selection) Evaluation Factors; changed+ one of the optional evaluation factors from outreach plan to inclusion plan *(for small business entities, disadvantaged business enterprises as subconsultants, subcontractors, and suppliers for the project).*
 - GC/CM – subcontractor bid packaging – adding language to Board’s approved changes for bid packing to be prepared... to reduce barriers and increase participation by disadvantaged business entities.
 - GC/CM – Alternative subcontractor selection; changes an evaluation factor from “... firm’s plan for outreach to minority and women-owned businesses” to “*inclusion of disadvantaged business enterprises, to the extent permitted by law.*”
 - JOC – Required Information; adds to the list of subcontractors hired under each work order, including whether those subcontractors were certified small, minority-, women-, or veteran-owned businesses.
- There have been 8 studies\reports requested by the Legislature, completed and submitted by CPARB
 - Construction Cost Escalation for Small Works Rosters report (10/2025)
 - Standardizing Local Government Procurement Rules (12/2024)
 - Business Equity/Diverse Business Inclusion (BE/DBI) Committee Prompt Pay report (10/2024)
 - WSDOT Project Delivery Evaluation reports (3 reports submitted between 7/2024 – 10/2024)
 - SHB 1621 (2023 session) Recommendations report (12/2023)
 - Subcontractor Bid Listing report (11/2022)
 - Business Equity/Diverse Business Inclusion report (6/2022)
 - Local Government Public Works Study report (7/2021)
- Engaging broad range of stakeholders within the industry through the creation of ad hoc committees: 13 committees worked from 2020-2025 to consider and produce the above recommended bills to the legislature and studies as well as the following:
 - GC/CM Best Practices Manual (5/2025)
 - Developed a process for how to report potential RCW violations (2024-2025)
 - Bidder Responsibility Criteria (10/2023)
 - Job Order Contracting Best Practices Guidelines (9/2021)

B. Increase opportunities/participation of Minority, Women, Veteran, and Small Businesses

(RCW 39.10.200 & 39.10.230)

Performance measures:

- Number of reports and best practices and recommended bills developed to facilitate and support participation of minority and women business enterprises (MWBE) and veteran firms.
 - Business Equity/Diverse Business Inclusion Committee work and reports (established in 2019)
 - BE/DBI Committee Prompt Pay report (10/2024)
 - BE/DBI report (6/2022)
 - Prompt Pay best practices – bill recommendations in 2025 and 2026 and best practices in development.
 - Change Order & Retainage best practices – in development
 - Addressed requiring inclusion plans in the selection of GC/CMs and Design-Build teams. (resulting in modifications to RCW 39.10 via SB 5032 from 2021)
 - Construction Cost Escalation Committee (2025-2026) proposed modifications to SWR via the Construction Cost Escalation for Small Works Rosters report (10/2025)
 - Education Connections Committee (established in 2023)
 - Increased Educational Opportunities
 - Owner Readiness Sessions hosted by MRSC/CPARB (12/2024)
 - Creation of the Training Resources for Public Works document (published 5/2024)
 - The Board Development Committee (established in 2018) reviewed the positions on the Project Review Committee:
 - Added 2 DBE representatives to the committee membership roster
 - Worked on position realignment to ensure only 1/3 of the Committee’s positions expire and are appointed every year.
 - Small Works Committee (2022-2024) worked with stakeholders towards creating the Statewide Small Works Roster via SB 5268 from 2023 legislative session.
 - JOC Evaluation Committee (established 2017) worked with stakeholders to develop the JOC Best Practices Guidelines (published 9/2021) and Best Practices Guidelines (published 9/2021)

C. Appoint PRC Members (RCW 39.10.240)

Performance measures:

- PRC appointments are to maintain a balanced, robust PRC to cover an average of 30-60 project and certification reviews each year.
 - CPARB made 50 PRC appointments since 2021.
 - CPARB’s Board Development Committee has worked on position realignment to ensure only 1/3 of the Committee’s positions expire and are appointed every year. This realignment should be completed by 2030.

II. Project Review Committee (RCW 39.10.240)

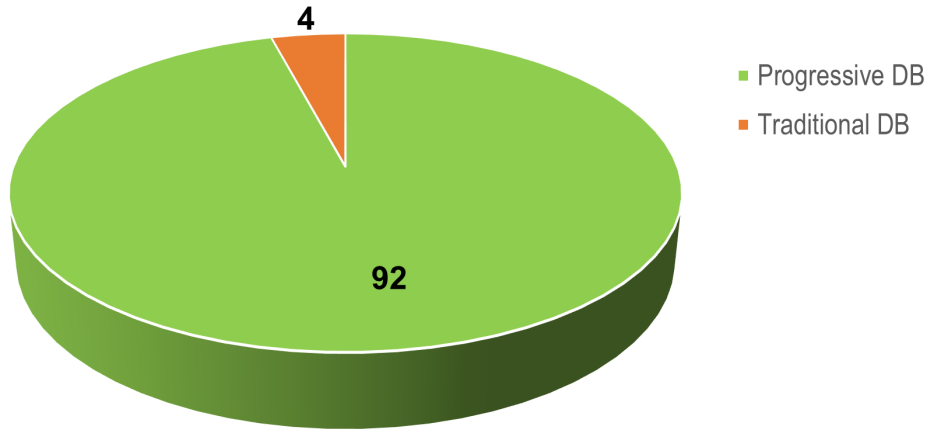
A. Review and approve public works projects using the Design-Build and GC/CM procedures

(RCW 39.10.300 & 39.10.340)

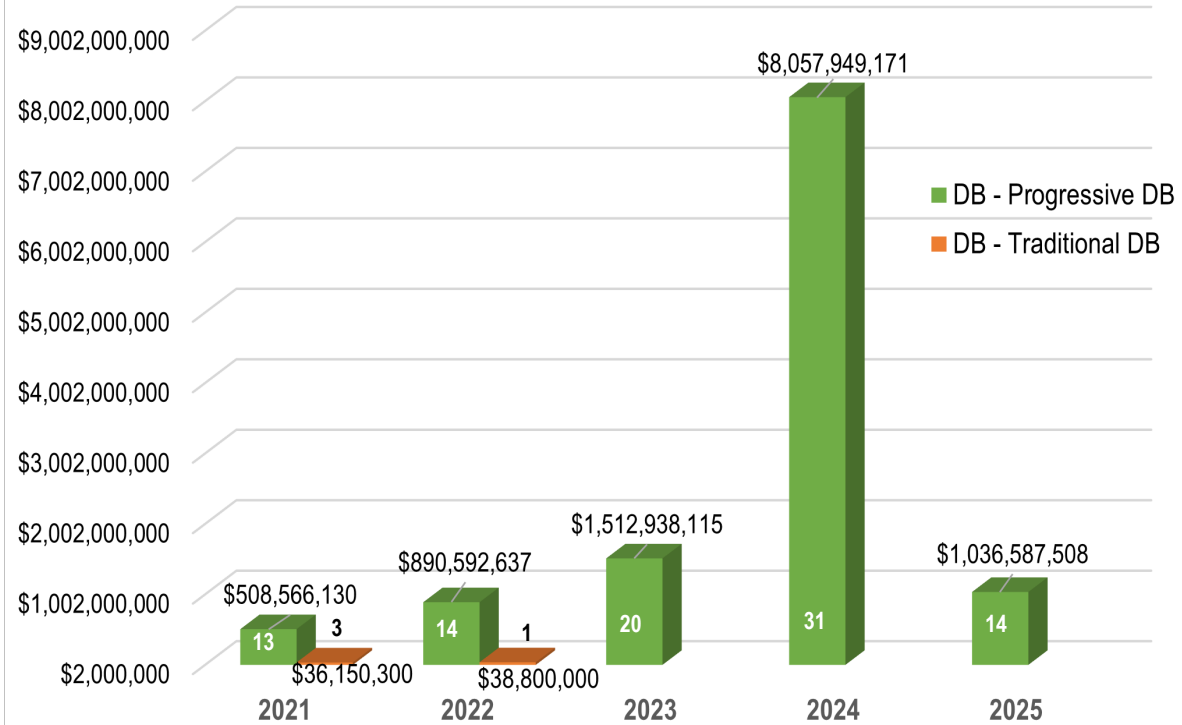
Performance measures:

- PRC data projects submitted, approved/rejected. (# per year, dollars per year)
 - 198 Projects have been reviewed from 2021-2025; 96 DB projects and 112 GC/CM projects.
 - 96 Design-Build projects reviewed for a total of \$11,997,073,545; 2 denied
 - 4 projects used Traditional DB & 92 projects used Progressive DB
 - ◆ 2025 – 14 projects approved for a total of \$1,036,587,508
 - ◆ 2024 – 31 projects approved for a total of \$7,988,299,171
 - i. 2 denials totaling \$73,462,906; one denial was overturned and one successfully reapplied.
 - ◆ 2023 – 20 projects approved for a total of \$1,512,938,115
 - ◆ 2022 – 15 projects approved for a total of \$929,392,637
 - ◆ 2021 – 16 projects approved for a total of \$529,856,114

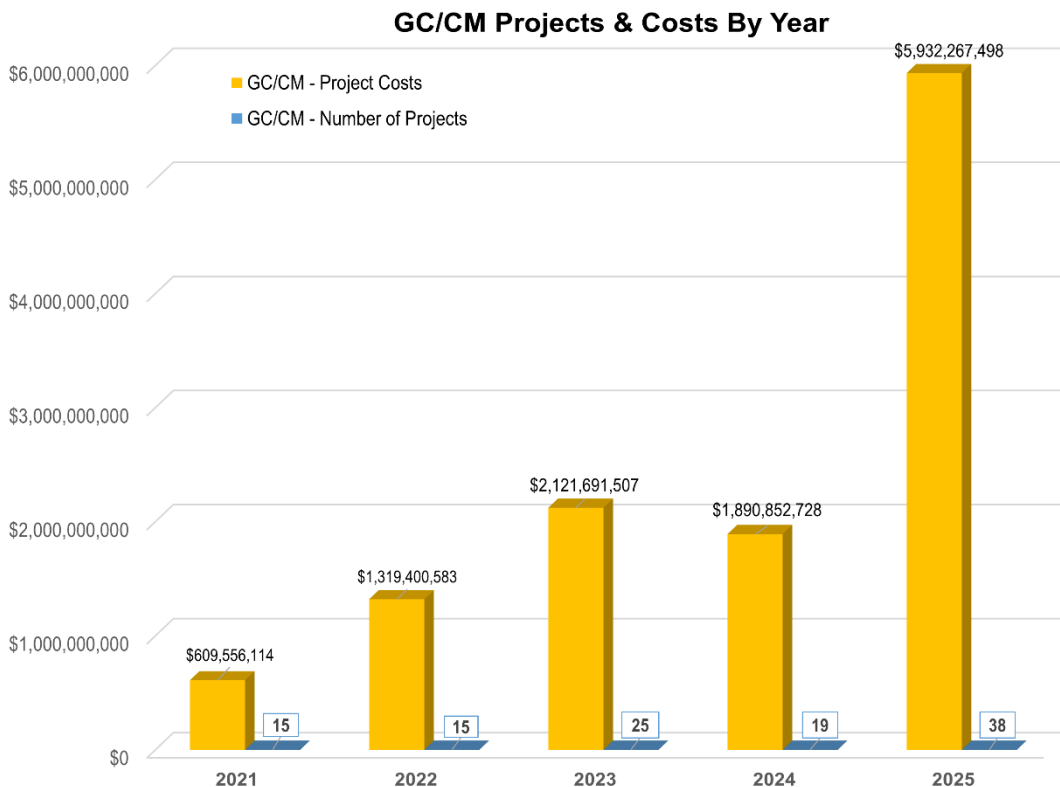
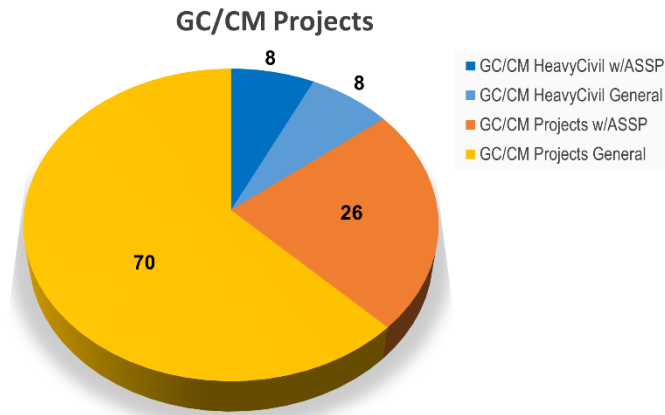
Design-Build Projects Progressive vs. Traditional 2021-2025



Design-Build Projects 2021-2025



- 112 GC/CM Projects have been reviewed since 2020 totaling \$11,205,306,052; 4 denied
 - 11 applications were returning applicants to request ASSP
 - ◆ 2025 – 38 projects approved for a total of \$5,856,492,255;
 - i. One project was denied totaled \$16,476,243; applicant successfully reapplied.
 - ◆ 2024 – 19 projects approved for a total of \$1,863,152,728
 - ◆ 2023 – 25 projects approved for a total of \$1,681,631,000;
 - i. 2 denials totaling \$380,660,507; neither applicant reapplied.
 - ◆ 2022 – 15 projects approved for a total of \$1,261,400,583
 - ◆ 2021 – 15 projects approved for a total of \$542,629,486;
 - i. One denial totaling \$13,786,944; applicant successfully reapplied.
 - 16 projects were Heavy-Civil GC/CM projects
 - 23 projects included Alternative Subcontractor Selection Procurement (ASSP); 86 total requests;
 - i. Once denied ASSP request contained 13 ambitious and inconsistent ASSP packages.



B. Certify public bodies to use Design-Build and/or GC/CM (RCW 39.10.270)

Performance measures:

- Agency Certifications\Recertifications
 - 29 Certification\Recertification applications have been reviewed since 2020
 - 9 Approved Recertifications for both DB & GC/CM
 - 6 Applications for Design-Build were approved
 - ◆ 2 Certifications
 - ◆ 4 Recertifications
 - 15 Applications for GC/CM were reviewed;
 - ◆ 5 GC/CM Certifications were approved;
 - i. 2 Certification applications were denied; One applicant successfully returned.
 - ◆ 9 GC/CM Recertification applications were approved

C. Process Improvements

Performance measures:

- Compilation of Lessons learned from public owners seeking certification. *(Please see appendix A)*
- Aligning applications with the statute when there are updates and changes to RCW 39.10.
- The Project Feedback Process Workgroup was created by CPARB in partnership with the PRC to identify a process allowing members of the public works community to report on projects that may be in violation of RCW 39.10.
 - The Potential Violations Reporting/Consulting process.

While not specifically addressed in legislation, there has been a need for real time monitoring of stakeholder performance. To balance the use of best practices, CPARB charged a Project Feedback Process Workgroup to address accountability. The workgroup developed a “potential violations” form which provides an avenue for open discussion (not mediation or arbitration) of conflict thru individual members of the PRC and CPARB providing counsel.

III. Alternative Public Works Procurement

A. General Contractor/Construction Manager (GC/CM) (RCW 39.10.340)

GC/CM has evolved, and new legislation has been incorporated to reflect best practices.

Performance measures:

- Development of best practice manual to supplement legislation (2025)
- Additional legislative modifications/improvements
 - MCCM / ECCM evolved to Alternate subcontractor selection procurement (2021)
 - Heavy-Civil, (2014)
- Increased interest, use, and participation in RCW 39.10 alternative public works.

B. Design Build (DB) (RCW 39.10.320)

DB continues to evolve from Traditional DB to Progressive DB

Performance measures:

- Additional legislative modifications/improvements
 - Inclusion Plans
 - WSU Pilot projects under \$2M *(reports to CPARB on odd years)*
- Educational Opportunities
 - Owner Readiness Sessions hosted by MRSC/CPARB
 - Creation of the Training Resources for Public Works document.
- Increased interest, use, and participation in RCW 39.10 alternative public works.

C. Job Order Contracting (JOC) (RCW 39.10.420)

Evolution of JOC to increase thresholds and contract limits to increase access of work packages to MWBE, veterans’, and small businesses.

Performance measure

- Development of best practice manual to supplement legislation (2021)

Lessons Learned 2022 - 2025

General Contractor\Contract Manager & Design-Build Alternative Delivery

Content

This document is a collection of Lessons Learned submitted to the Project Review Committee (PRC) by Public Bodies applying to use General Contractor/Contract Manager (GC/CM) & Design-Build (DB) Alternative Delivery on Public Works Projects in Washington State.

Disclaimer

Content and references are sole responsibility of the Public Body who submitted the Lessons Learned in response to inquiry or as part of a certification application to use either method.

The following Certified Public Agencies have been certified by the PRC to use Design-Build on their individual projects without needing PRC approval for three years. All agencies are required to demonstrate successful management of at least one Design-Build project within the previous five years.

Applications must include a description of the public body's qualifications, its capital plan during the certification period, and its intended use of alternative contracting procedures.

Design-Build Only - *CERTIFIED PUBLIC AGENCIES*

Tacoma Public Schools 2023

- Choose Design-Build team carefully.
- Trust and empower the chosen Design-Build team.
- A good general contractor or GC/CM contractor doesn't always make for a good design-Build contractor. The latter must have more of a "developer" approach to scope within budget.
- The Design-Build project manager has a crucial role.
- Not every design team understands or is comfortable with the subordinate role they play to the Design-Build contractor.
- "Fast-tracking" of a project saves significant time and money and offers better accountability for the "public dollar".
- Bundling projects keeps the Design-Build contractor pool engaged and interested.
- The Design-Build delivery method offers a better opportunity to meet or exceed the district's inclusion goals.

University of Washington 2023

- Design-Build, assigns risk to those best capable of managing / mitigating risk, does not eliminate the risk
- Managing project contingency transparently and together is critical.
- Project Definition is difficult, worth the time, and critical for success.
- Timing of GMP and early procurement is important to mitigate risks.
- Partnership is a long-term commitment.
- Culture of recognition motivates quality and performance.
- Owner needs to be clear about what to incentivize.
- Senior Management Team must stay engaged for the duration.
- Chargeable Cost Contract requires resources to manage.

City of Tacoma 2024

- Start Right-of-Way Process Sooner, Anticipate Delays.
- Railroads Do Not Contemplate DB.
- A strong team can overcome difficulties.
- Conduct proprietary meetings early and upfront to establish collaboration structure.
- Have an Owner's Advisor on the City's team.
- Have a DB with previous experience in collaborative delivery methods.
- City staff-DBIA certification and education.
- Early involvement for permitting.

GC/CM Only - CERTIFIED PUBLIC AGENCIES

Edmonds School District 2023

- Agency Status enhances both Project and Program Management
- GC/CM requires significant Owner participation.
- Involving the GC/CM at the earliest stage maximizes value.
- GC/CM – Integrated Project Delivery approach not only has kept the district's projects on schedule and under budget, but also directly supports all parties--Owner, Architect, and Contractor--in meeting their goals.
- It is incumbent on the Owner to remain up to date on Legislative revisions to RCW 39.10.
- The GC/CM-IPD approach helps mitigate the impact of Major scheduling uncertainties.
- Project Management Tools Improve the Project

Mason Hospital/Mason Health 2023

- Leave room in budget for inefficiencies when reusing existing layout & partitions.
- Preconstruction budget decisions and value engineering impacts on operations
- It's never too early to start outreach.
- Early procurement – don't let off the gas.
- Utilize MC/CM & EC/CM on future projects.
- Hold lessons learned meetings after each project.

Renton School District 2023

- Communicate early and often with all members of design and construction team, as well as with sub-consultants and sub-contractors.
- Evaluate selected district standards in the current economy against supply chain issues and unstable pricing – be willing to discuss alternatives early in process.
- Identify points of concern in critical path early and often. Re-visit the conversations as often as needed.
- Bring trade partners (MC/CM or EC/CM) on in earlier phases to maximize their value in the planning process, so their input can be considered when high level decisions are being made, and their knowledge can be leveraged.

Spokane Public Schools 2023

- Inclusion of SBE solicitation language in procurement process
- Modified interview portion of selection process to be more collaborative for candidates.
- Existing site investigations.
- Early discussions with City of Spokane.
- Early site packages to improve project scheduling.
- Identification and tailoring of Bid Packages to engage more bidders.
- Expanded GC/CM pool.

Bellingham School District 2025

- GC/CM buys additional flexibility in design and construction.
- Bring on GC/CM earlier, when possible, for cost, site logistics, and phasing exercises.
- Sustainability goals are more easily met with early involvement of the GC/CM.
- GC/CM budget tracking allows for targeted contingency use.
- GC/CM requires dedicated staff to allow for adequate collaboration when compared to D/B/B.

Lake Washington School District 2025

Procurement Process Improvements:

- The district made several changes to the GC/CM procurement process based on industry and contractor feedback to include formatting changes similar to higher education groups (such as WSU and UW) utilizing a double sided 11x17” Statement of Qualifications.
- This change streamlines responses from perspective bidders and District evaluations by creating efficiency when comparing qualifications across multiple bidders and providing additional time for interactive meeting preparations.
- They Invite other owners to observe or participate in the procurement process to gain experience in alternative delivery procurement and share process templates and lessons learned with other local school districts and public agencies throughout western Washington and Oregon.

Contract Updates:

- Continual updates to GC/CM contracts and the Cost Responsibility Matrix provides as much clarity as possible regarding how costs are categorized (NSS vs SGCs, etc.). This ensures bids are “apples to apples” and provides consistency in how costs are tracked across projects for future forecasting.

Independent Auditing:

- Conduct independent audits for all alternative delivery projects. This provides transparency and consistency.

Mukilteo School District 2025

- Procurement timing by spacing procurement for separate projects farther out or adjust how feedback is delivered if the procurement schedule for multiple projects is close together.
- Document clarification is an ongoing process improvement by refining the RFP process, the GC/CM contract, and the Cost Responsibility Matrix to enhance clarity and simplicity.
- Diversity outreach will continue to evolve by participating in and hosting subcontractor outreach events and realizing our reach is greater when we partner with other agencies and contractors in various ways.
- Stay connected by participating in public owner groups, CPARB committees and staying in touch with other school districts, architects, and contractors.
- Seek guidance from other school districts and consultants to assist with navigation through unexpected challenges.

University of Washington 2025

- It is critical to have GC/CM and owner staff that fully understand the requirements to bid out all subcontract work, equipment and material purchases.
- GC/CM and Owner must understand how to manage risk contingency, negotiated support services, and specified general conditions.
- Have early conversations about 'mini-MACC's' and phasing the work.
- Ensure self-performed work is genuinely competitively bid.
- Culture of recognition motivates quality and performance.
- Senior Management Team must stay engaged for the duration
- Cost Allocation/Responsibility requires resources to manage.

Dual Certification for DB & GC/CM

These public agencies have been certified by the Project Review Committee to use both Design-build and GC/CM on their individual projects without needing PRC approval for three years. All agencies are required to demonstrate successful management of at least one of each Design-Build and General Contractor/Construction Manager projects within the previous five years.

Applications must include a description of the public body's qualifications, its capital plan during the certification period, and its intended use of alternative contracting procedures.

Port of Seattle 2022

- GC/CM:
 - Agree upon format of estimates with GC/CM & SC/CM, Designer, and Owner prior to quantifying costs.
 - Utilizing SC/CM when appropriate has been helpful for our complex operations
 - Contracting with the GC/CM as early as possible in design (As early as 5%)
- Design-Build:
 - Port still improving on basis of design & Spec development that our early D/B projects could have benefited from.
 - Improving Role Clarity to ensure all stakeholders and roles are understood for efficient use of time at meetings.
 - Awareness around Port's technology requirements that may be out of date. CAD standards do not allow searchable or linked documents and may not be design industry standard.
 - DB team weekly meeting included key stakeholders which supported collaborative approach and design engagement, enabling an aggressive schedule with creative solutions for operational issues & limitations and making decisions quickly.
- Overall:
 - APW provided increased opportunities for our WMBE Program, where goals & commitments led to excellent results.
 - Port has implemented lessons learned after each phase: procurement, design, and construction versus at end of project.

Sound Transit 2024

- Agency
 - Developing procurement to solve design problems.
 - Monitor and maintain the Culture of Collaboration – Proactively and collaboratively made staff changes when identified.
 - AHJ Involvement – Continuous improvement (STEP, DBWG)
 - AHJ Involvement – Training
- Design-Build
 - Environmental Permitting – Address design timing and resources
 - Environmental Permitting – Incorporate into the RFP phase
 - AHJ Permitting – Proactively and collaboratively develop a process with AHJ's and memorialize commitment.
 - AHJ Permitting – Incorporate the permit plan development into the RFP.
 - ROW Acquisition – Final footprint reconciliation
 - Geotechnical Peer Review – Provide the option to utilize a peer review to address technical issues.
- GC/CM
 - Early GC/CM Engagement
 - Proactive Change Management
 - Contract interface coordination starts in preconstruction.

- Staff the project with team members that have the right attitude and experience.

City of Seattle 2025

- GC/CM - Actual level of design detail needed to construct architectural elements of the project was realized during construction, leading to a high volume of negotiated changes.
- Design-Build - Commit sufficient budget to characterize the site for potential contamination and geotechnical conditions up front, and don't underestimate the number of issues that can arise.

Department of Enterprise Services 2025

Team Formation and Procurement

- Clearly define insurance requirements and labor/rental rates in the contract.
- Avoid limiting proposer eligibility by requiring teams to have worked together previously.
- Prioritize early procurement education for internal and external partners.

Project Risk and Contingency Management

- Design-build teams are risk-averse in releasing contingency—consider owner-managed contingency strategies.
- Evaluate whether GMP development should remain fixed at 45% design or vary by project needs.

Stakeholder Engagement and Project Scheduling

- Verify zoning or entitlement issues before setting procurement and construction schedules.
- Collaborate early with Client Agencies to validate imposed deadlines and responsibilities.
- Strong stakeholder documentation and decision-tracking processes help avoid re-litigation of prior decisions.

IT and Technology Integration

- Establish a single point of contact for complex multi-agency technology coordination.
- Shift IT procurement outside the public works contract to avoid delays and liability issues.

Process Improvements

- Include GC/CM audit consultants in project kickoff meetings to align expectations and clarify billing/markup issues.
- Ensure all contract documents are fully executed before NTP is issued.
- Update project tracking systems to capture alternative delivery performance data.

Washington State University 2025

- They need to carefully consider the number of discreet scopes of work included in each contract as WSU needs to financially account for each scope separately to meet funding source audit requirements. This 'accounting' requirement can be a challenge especially for smaller Design-Build teams.
- WSU initially saw higher than expected design costs proposed for the programmatic projects. It seems this was mainly due to using some of the same design phase language used in large-scale capital project contracts. After some discussion with the Design-Build team partners, it became clear that unlike more traditional large building projects, they did not need to spend as much effort ensuring understanding of the program and the options to deliver the program but rather get more quickly to the repair/renew/replace options and move quickly into construction.
- WSU has been developing an 'over the shoulder' design review process to accelerate design decisions, reduce confusion often encountered with back-and-forth written design review comments, and encourage collaboration and innovations that comes naturally in a collaborative design-build environment.
- Getting 'smaller' Design-Build teams to lead projects doesn't necessarily lead to more small and MWBE sub-consultants and sub-contractors engaged on the project. Smaller DB teams may have more financial constraints which do not encourage lowering or removing retainage, bonds, or insurance requirements.