

## CAPITAL PROJECTS ADVISORY REVIEW BOARD

1500 Jefferson Street SE  
Presentation Room  
Olympia, Washington 98504  
**Minutes**  
**October 10, 2019**

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<b>MEMBERS PRESENT</b>	<b>REPRESENTING</b>	<b>MEMBERS ABSENT</b>	<b>REPRESENTING</b>
Walter Schacht ( <i>Chair</i> )	Architects	Brian Belarde	Construction Trades Labor
Rebecca Keith ( <i>Vice Chair</i> )	Cities	Greg Fuller	Specialty Contractors
Bill Frare	State Government	Senator Bob Hasegawa	Senate (D)
Matthew Hepner	Construction Trades Labor	Charles Horn	Insurance/Surety Industry
Mike McCormick	Higher Education	Rep. Mike Steele	House of Representatives (R)
Scott Middleton ( <i>Alternate</i> )	Specialty Contractors	Rep. Steve Tharinger	House (D)
Karen Mooseker	School Districts	Vacant	General Contractors
Irene Reyes ( <i>Partial Telecon</i> )	Private Industry	Vacant	Hospital Districts
David Talcott ( <i>Alternate</i> )	Engineers		
Andrew Thompson	General Contractors		
Lisa van der Lugt	OMWBE		
Jane Wall	Counties		
Judy Warnick ( <i>Telecon</i> )	Senate		
Janice Zahn	Ports		

*Staff & Guests are listed on the last page*

### **WELCOME & INTRODUCTIONS**

*Chair Walter Schacht called the regular Capital Projects Advisory Review Board (CPARB) meeting to order at 8:18 a.m.*

Members present and participating by telecon provided self-introduction. A meeting quorum was attained.

Chair Schacht welcomed newly appointed Board member Matthew Hepner representing Construction Trades Labor.

### **APPROVE AGENDA - Action**

Chair Schacht reviewed the agenda and recommended allocating more time for the presentation on the Disparity Study. A brief update was added on the status of appointments for vacant positions. The report from the Data Collection Implementation Committee will be provided by Aleanna Kondalis.

*Andrew Thompson moved, seconded by Rebecca Keith, to approve the agenda as modified. Motion carried unanimously.*

### **APPROVE SEPTEMBER 12, 2019 MEETING MINUTES – Action**

The following changes were requested to the minutes of September 12, 2019:

- The *Members Absence* section on the first page should reflect the removal of *Joaquin Hernandez* as the position is currently vacant, which should be reflected as vacant in the minutes.
- On page 3, the first sentence within the first paragraph should be revised to reflect, “It is important for the Board to examine the idea of fair, open, competitive, and transparent methods of a qualifications-based process.”
- On page 3, the second to the last sentence in the last paragraph should be revised to state, “Her role at the Port of Seattle is overseeing construction management, which encompasses oversight of all major construction projects.”

- On page 12, within the third paragraph, replace the sentence, “He believes the committee...” with, “He believes the committee should continue to work with the PRC to develop similar language used for public agency certification for project certification.”
- On page 19, within the second paragraph, revise the last sentence to reflect, “Any compromise should exclude requiring the information during the bidding environment and after the bid to avoid disruption to the bid process.”
- On page 20, change the last sentence prior to the *2020 Meeting Dates Proposal – Action*, to reflect, “...meetings extending to a full day rather than scheduling half-day meetings.

***Andrew Thompson moved, seconded by Bill Frare, to approve the minutes of September 12, 2019 as amended. Motion carried unanimously.***

*David Talcott serving as the alternate for Santosh Kuruvilla arrived at the meeting.*

## **INVITATION FOR PUBLIC COMMENTS**

Vice Chair Keith invited public comments throughout the meeting.

Chair Schacht reported Shannon Pitts will temporarily replace Talia Baker during her medical leave. He asked members to RSVP their attendance to each meeting to ensure the meeting attains a quorum. He apologized for the late posting of the September meeting minutes.

## **STRATEGIC PLANNING**

### ***2019-2020 Goals***

Chair Schacht recapped the discussion by Board members at the September meeting to identify their respective vision for CPARB, goals, and initiatives. The discussion provided an opportunity to discuss the status of the Board and what members want to achieve without identifying any strategic initiatives. He invited members to participate in a conversation to share perspectives on the reauthorization process and the role of the Board to help inform the ultimate outcome of reauthorization.

Vice Chair Keith said the Reauthorization Committee process has identified the reliance on the GC/CM Committee and the JOC Evaluation Committee for some significant work products. The JOC statute was reviewed and updated during the last legislative session and it will be important the reauthorization bill has the broadest stakeholder input and support to the extent possible. A stakeholder has expressed some interest in changes to the JOC statute. By December, the Reauthorization Committee will present the Board with some substantive proposals for evaluation. The GC/CM review will occur later in the process with an update planned at the December meeting. Members should be prepared to spend some time considering the information shared during the December meeting for vetting with their respective stakeholders for feedback and input. She encouraged members to consider participating in the committee meetings.

Chair Schacht commented on the short timeline and the importance of Board members identifying any critical agenda items or concerns so they can be considered.

*Scott Middleton serving as the alternate for Mike Shinn arrived at the meeting.*

Vice Chair Keith added that the legislative strategy and outreach is important to develop. The Reauthorization Committee intends to begin some of the preliminary conversations. She encouraged Board members with input or feedback to consider earlier engagement with lobbyists or other legislative support processes available through stakeholder groups.

Mike McCormick suggested the possibility of pursuing a parallel process for GC/CM similar to the process undertaken for identifying Design-Build best practices. Statute changes for Design-Build were prompted by the work completed on the Design-Build Best Practices Guidelines. Some issues surrounding GC/CM are the lack of best practices in some instances. During the committee's work on Design-Build best practices, members understood the importance of establishing best practices and ensuring any legislative changes to the statute created the ability to pursue best practices. The Design-Build Best Practices Guidelines is an excellent document that could be used for outreach and education.

Scott Middleton commented that one of the strategies the GC/CM Committee is pursuing based on the consensus of the committee is to review each section of the GC/CM statute and identify concerns and flag provisions where best practices or legislative changes would be appropriate. One issue surrounds the limited timeline to meet the deadline for any statutory changes. The committee's approach is focusing on any legislative changes and then pursuing a review of best practices moving forward. However, during the detailed review, members are identifying where best practices should be of focus. Those areas should be easier to identify as members review the statute.

Chair Schacht said his concern is the propensity for statutory changes as opposed to identifying and implementing best practices to influence successful outcomes. The issue is pursuing rigid statute language rather than through education and information to change behaviors. Today, many public owners have found Design-Build to be effective because of the simplicity of the statute. Although design professionals and contractors were deeply concerned about the work on best practices, the majority of public owners today now understand concerns by the industry and have begun to operate in a fashion that respects those needs. There is much more comfort now in part because the statute is simple and allows for variation in terms of application. To some extent Design-Build is a performance-based procurement method as well as to some extent a performance-based statute. The GC/CM statute is prescriptive. Moving forward, it would be preferable to lessen the prescriptiveness of the statute while providing a remedy for concerns by the contracting industry.

Mr. Middleton noted that as the GC/CM Committee participated in a review of best practices and legislative changes, the discussions have not included any subcontractors at this point and very few legislative changes have been identified. However, the committee is examining the statute through the lens of a number of considerations involving the prescriptive application, transparency, and cost certainty. As members consider best practices and legislative proposals, members are also examining higher level considerations to help inform decisions on which path to pursue in terms of the prescriptiveness of the GC/CM statute.

Mr. Thompson conveyed some caution about the focus of the GC/CM review to ensure any legislative proposals do not complicate the statute because the focus of the GC/CM Committee involves four elements related to procurement and one area on application. As a general contractor involved in the GC/CM delivery method, some attention is warranted to what those provisions should be in terms of a deliverable. It would also be important not to perceive that the Board is limited in any changes to the GC/CM statute. Many members of both the Board and the industry attending the committee meetings understand the statute; however, many attendees occasionally attend the meetings, which is why it would be important to ensure some provisions should be in the statute while also ensuring it aligns with best practice. There are some instances where contractors have an opportunity to ensure public bodies who are not behaving well, are behaving properly.

Janice Zahn said other than for reauthorization, another component of the Board's responsibility is oversight of RCW 39.10, as well as providing guidance to state policymakers on ways to further enhance the quality, efficiency, and accountability of public works contracting methods. The Board is also charged with business equity and diverse

business inclusion, which speaks to a review of RCW 39.04. Her question from a strategic perspective excluding current efforts on reauthorization and the Board's committee work is whether the Board should be contemplating other issues to consider in light of its existing workload because strategic planning typically involves taking a step back and questioning whether the Board should be considering other issues.

Bill Frare responded that with respect to a strategic plan next year, it is important to ensure the Board's work this year is possible without adding too many other tasks. The Board's focus should be on the key to success. Efforts on reauthorization will be substantial to include consideration of minority business inclusion throughout that process and that will involve inclusion of same language incorporated within the Design-Build and JOC statutes for consistency between public works contracting statutes. Efforts on reauthorization should be the primary focus. Another charge delegated to the Board next year is a review of contracting methods for local governments. Senate Bill 5418 directs the Board to conduct a study. The Department of Enterprise Services is assuming the lead for the study by contracting with Municipal Research Services Center (MRSC) to collect data, analyze data, and forward a recommendation to the Board for public works contracting for local governments relative to limits, consistency, and unit price contracting, etc.

Mr. Thompson remarked that as a Board member, he agrees reauthorization is a strategic priority; however, as a contractor his interest is for a fair, open, transparent, and competitive process to ensure participants and small businesses are considered. It is important for the Board to help elected representatives on the Board be prepared prior to the start of the legislative session to ensure legislators have an understanding of the coalescing and agreements between Board members and the industry. Legislators must contend with many voices with different messages, and it is important to have a level of confidence about the information shared by the Board as a legislative member of the Board.

Senator Warnick offered to meet with a Board designee prior to session to receive a briefing on specific issues.

Mr. Thompson asked Senator Warnick whether she is contacted by many people during the legislative session who are trying to affect policy. Senator Warnick affirmed she is contacted by many and that 15 minutes is the maximum amount of time for a meeting. Being a member of the Board and having advance knowledge of the background and the discussions are invaluable. It is important to reach out to her and other legislative members of the Board early in the process during November and December prior to the session.

Chair Schacht cited some issues discussed a year ago, as well as some initiatives the Board collectively identified as important strategically but has not pursued. Strategically, the Board needs to increase awareness of what the Board is, what it does, its value, member roles, and the value of alternative project delivery. Another issue surrounds a recent article authored by Barbara Johnson from the University of Denver about the lack of innovation in the construction industry and the potential for alternative project delivery to create innovation when none exists. There is also a general lack of awareness of the Board. When he meets with others in the industry, he has discovered that many more people are aware of the Project Review Committee (PRC) but not the Board. The Board should increase its awareness both to the public sector and to the private sector. He has encountered three instances whereby public agencies pursued Design-Build procurements that did not meet the requirements of RCW 39.10 and they did not seek PRC project approval. Finally, and as mentioned by Mr. Thompson, it is imperative the Board increase its awareness among legislators as well as with the Governor's Office. Recent conversations with Mr. Frare have resulted in the Chair and Vice Chair working with Government Affairs Director Ann Larson with DES. Ms. Larson plans to work with the Chair and Vice Chair to schedule meetings with legislators in the fall. He suggested the Board should develop a proactive strategy for working with the Legislature. Leadership development and rotation are also areas of importance. He recommended considering limiting Chair terms to two years to afford more leadership rotation. The Board should

begin identifying potential candidates and establishing a sequence whereby the Vice Chair succeeds the Chair and is replaced by a Private Sector Vice Chair as required by the Bylaws. He suggested including a discussion on the election process on the December agenda. A change to the bylaws might be warranted as the current process entails voting with new leadership assuming their new positions immediately following the vote in May. He suggested conducting the elections in May with new officers assuming positions at the September meeting.

Ms. Zahn questioned whether legislative outreach and Board elections are activities embedded within the Education and Outreach Committee and the Board Development Committee. Chair Schacht advised that based on current Bylaws, legislative outreach is vested with the Chair. Ms. Zahn recommended utilizing existing committees for those tasks because the Board's time is focused on reauthorization, business diversity, and the review of the GC/CM statute. Chair Schacht noted the committee's tasks were identified at the time the committees were formed. Progress has lagged on many of the identified issues of leadership rotation, bylaws revision, public awareness, new Board member orientation program, revision of the Design-Build Best Practice Guidelines, and partnering with the Office of Minority Women Business Enterprise (OMWBE) and the Department of Labor and Industries (L&I) for pursuing a parallel goal of promoting diverse business inclusion and increasing participation rates. He encouraged the Board to consider a value alignment with other agencies within state governments to support the Board's efforts and to utilize resources other agencies are capable of providing.

Mr. Thompson supported the Board's alignment with OMWBE and L&I and encouraged the Board to consider pursuing the Governor's Lean principles to drive improvements, increase effectiveness, and deliver results. He suggested inviting a Lean certified facilitator to assist the Board in pursuing the next steps.

Lisa van der Lugt commented that OMWBE has initiated some first-time discussions with the Board and others. She and Mr. Thompson recently discussed potential joint data collection efforts. Facilitators can be beneficial, but it requires identifying the purpose and desired outcome as the effort should include the right people to brainstorm and clarify responsibilities by each agency/group to avoid duplicating efforts. Volunteer resources are limited and there are impacts to other work demands. The OMWBE wants to be helpful while being realistic of other demands. The agency is in the midst of much change at this time and those changes will be beneficial and could align with the Board's goals. However, all participants need to be clear on defining the body of work surrounding the advantages of partnering for diversity, equity, inclusion, and increasing participation.

Chair Schacht suggested that at a minimum, the Data Collection Implementation Committee could continue conversations with OMWBE and L&I to identify ways of working together and the identifying a process for directing requests for data.

Another initiative is reviewing and revamping the Board's website, which is difficult to navigate.

Mr. Middleton offered the suggestion of scheduling some Board meetings in other locations. For example, the Apprenticeship Council meetings are held in Olympia as well as rotating meetings to other cities. Varying the location of meetings has been effective in attracting local contractors and other stakeholders. Conducting meetings in other locations would also shine more of a light on CPARB.

Chair Schacht said the Board discussed the option of moving the April meeting to another location. Mr. Frare noted that the decision of scheduling other locations is a decision by the Board; however, DES provides the venue in Olympia and it is convenient for staff. The option of other locations for meetings is a valid request as many members and participants travel from Seattle and other cities to the north.

Ms. van der Lugt said she is not an advocate for requiring people to travel to Olympia to receive services. It's important to take services to citizens. Public meetings for the Disparity Study followed the Washington Department of Transportation's (WSDOT) best practices the agency used for its disparity study. WSDOT had indicated that it would be difficult to attract attendance in eastern and central Washington. However, actual attendance exceeded expectations and was similar to the meetings held in western Washington. Individuals were very interested in learning more about OMWBE, contracting, and procurement. It is not easy for small business owners to attend meetings in Olympia. If the Board is serious about establishing a value system of inclusiveness, the Board should consider meeting at other locations.

Vice Chair Keith supported other meeting locations but questioned how the Board could implement the change as resources for the Board are available in Olympia for meeting space, meeting minutes, and staff support.

Jane Wall offered to follow-up with counties for potential meeting space. Other members likely have potential meeting spaces that could host a Board meeting.

Ms. Zahn suggested selecting a larger county or city in central or eastern Washington or in the Vancouver area.

Chair Schacht recommended referring the proposal to the Education, Outreach, & Web Development Committee. He cautioned that scheduling a meeting in eastern Washington would increase expenses for the Board. Tying the meeting to a program of interest would be important to create a magnet to attract attendees. The program should be structured so that attendees are part of the program rather than only as observers.

Talia Baker commented on the importance of sites having telecommunications capability.

Ms. van der Lugt inquired about plans for DES to seek additional funding for the Board. Mr. Frare said the timeline has expired for the supplemental budget; however, an increase in the budget could be included in the next biennium budget.

Discussion ensued on pursuing a phased approach of scheduling a meeting outside of Olympia and possibly referring the task to the Education and Outreach Committee. Chair Schacht recommended that scheduling a meeting outside of Olympia should be under the auspice of the Chair, Vice Chair, and DES with the Outreach and Education Committee tasked with developing the meeting program that runs parallel to the Board meeting to promote attendance.

Chair Schacht announced that Board leadership has been communicating regularly with Keith Swenson at the Governor's Boards and Commissions Office concerning two vacant Board positions. Based on current information, candidates for the Private Sector position have been identified to replace Joaquin Hernandez and for the General Contractor position replacing Brent LeVander. A formal announcement from the Governor on the selection of individuals for both positions is anticipated later in the week. Governor Inslee prefers Board members only serve a maximum of two terms. Over time, the Governor has extended the second term of positions to enable an individual to complete a term of office as an officer. The Governor announced his position's extension until July 1, 2021 enabling him to complete his term as Chair and serve one year as immediate past Chair for continuity of the Board.

*Irene Reyes arrived at the meeting.*

Ms. Zahn asked about the status of filling the vacant Hospital Districts position. Chair Schacht advised that Public Hospital Districts appoint their respective representative to the Board. The position has been vacant for over two

years, which likely should prompt a conversation during efforts on reauthorization. It might be appropriate for Public Hospital Districts to consider ceding the position to another entity that would be willing to assign a representative.

## **COMMITTEE REPORTS**

### ***Reauthorization – Information***

Vice Chair Keith updated members on recent activities of the Reauthorization Committee. Members have updated the proposed schedule. A draft bill will be presented to the Board by May 2020 with substantive updates scheduled for presentation at the Board's December 11, 2019 meeting. Members developed an "issues" matrix and continue to explore the pros and cons of retaining the Sunset provision in the statute. Members are split as many are concerned about accountability while others are concerned about the legislative process and the demands surrounding unpredictable issues. No resolution has been reached at this point, but the conversation continues. Another open issue is Gordian's Group proposal for statute changes. A meeting was scheduled for October 7, 2019 to resolve the issues; however, for several reasons the meeting was not held. The schedule is back on track and the committee anticipates receiving JOC proposals by the next CPARB meeting. Some significant issues remain surrounding subcontracting provisions for electrical and mechanical subcontractor selection processes (EC/CM and MC/CM) within the GC/CM statute.

Vice Chair Keith requested feedback from the Board on the preferred methods for the Reauthorization Committee to communicate pre-reads, issues matrix, and proposals prior to the December 11, 2019 meeting. The committee strives to post meeting minutes on the CPARB website. Vice Chair Keith was asked to send an email reminder for meetings.

Vice Chair Keith responded to questions about the schedule for the draft bill addressing the transit position, JOC, EC/CM, and the GC/CM Committee's work and how those elements roll forward to the Reauthorization Committee. The committee recognized the importance of affording sufficient time for the GC/CM Committee to review the statute and both committees agreed a substantive update would be provided to the Reauthorization Committee at its December 2, 2019 meeting to afford time to brief the Board on December 11, 2019.

Mr. Middleton added that members of the GC/CM Committee are appreciative of the Reauthorization Committee for affording the committee some additional time to catch up and complete its review of the statute. The timing for forwarding recommendations to the Reauthorization Committee is March 2020. Vice Chair Keith said the schedule would be reconfirmed at the committee's December meeting. Mr. Middleton added that the proposed timeline discussed during the last GC/CM Committee meeting includes more details on how the committee anticipates completing its review.

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

Tae-Hee Han, Chair, JOC Evaluation Committee, briefed the Board on the status of the committee's work. Since the last update, the committee had planned to present a recommendation on proposed changes to RCW 39.420. After the last update to the Board, representatives from Gordian Group contacted him about additional issues they wanted to discuss. The representative from Gordian at the committee's August 24, 2019 meeting returned to Gordian Group's headquarters and received more input resulting in more requested changes. Subsequently, the committee canceled the planned presentation at the Reauthorization Committee's meeting on October 7, 2019. Another committee meeting was scheduled on September 25 but the meeting failed to obtain a quorum. The next committee meeting is scheduled for October 22, 2019 at 2 p.m. to revisit the items of disagreement by the Gordian Group. A date has not been determined at this time for the committee to develop a list of proposed recommendations to present to the Reauthorization Committee.

Mr. Han explained that Gordian Group is a nationwide organization providing services for the JOC program across the country. The company's lobbyist attended committee meetings earlier in the year during the discussions on proposed changes to RCW 39.420. However, the company did not share its concerns with the Board but offered testimony during public hearings in the Senate and House creating some difficulties for the committee to move forward with a set of recommendations. Following some conversations with representatives from Gordian Group, the committee agreed to revisit statute language during the reauthorization process.

Vice Chair Keith added that after speaking with a national representative from the Gordian Group, she and the committee have a better understanding of the issues and feel confident that the parties can continue to work to resolve the concerns. Members of the Reauthorization Committee considered whether to pursue the issues separately but agreed it would be more productive to take advantage of the expertise of the JOC Committee to coordinate drafting of the proposals.

Aleanna Kondalis explained that the Gordian Group is also the owner and producer of RSMeans, which is one of the significant unit price books used for JOC projects. The JOC Committee is considering the company's feedback recognizing the company provides a limited spectrum of services for JOC projects while ensuring that all JOC users are also engaged in the process of understanding why the Gordian Group is seeking some changes.

Mr. Han noted that the Gordian Group is proposing 13 changes with only a few of the items remaining for finalization for preparation of a recommendation. One item encompasses other RCWs, which the committee wants to avoid at this time and it is why the Reauthorization Committee's input is so important.

Irene Reyes questioned the extent necessary by the committee for compliancy with Gordian's recommendations. Mr. Han responded that the proposed language addresses some clarifications in the RCW. There is some disagreement as to whether it is necessary to address those clarifications within the RCW, as it is up to the owner's discretion with respect to decisions. The language may also conflict with other provisions in statute as the national representative is not familiar with Washington State laws. Compliancy with the Gordian's recommendation is not an issue. Ms. Reyes inquired as to the committee's plan to arrive at a resolution. Mr. Han said many of the issues have been resolved through discussion and consensus by the committee. Some remaining items may affect other provisions in statute. It is also important to coordinate with Design-Build provisions to avoid conflicts of interest when an owner procures a JOC contract. Discussions and negotiations continue with representatives from the Gordian Group to arrive at a consensus recommendation as a committee.

Ms. Zahn questioned whether Gordian's proposal pertains to best practices versus prescriptive statute language. Mr. Han said the issue is a negotiation point in terms of whether the proposals should be prescribed in statute or whether to include as a best practice to educate owners and contractors using JOC.

### ***GC/CM Committee – Information***

Mr. Middleton reported the committee continues to review applicable GC/CM statutes. He thanked Vice Chair Keith and Reauthorization Committee members and stakeholders. The GC/CM Committee membership includes 13 members with another 20 stakeholders involved in the review and discussions. The committee continues to meet twice a month to identify both best practices and proposed statute changes. Because of the limited timeline, the committee is addressing legislative proposals first followed by best practices while tracking all best practice proposals. Some of the proposed statutory changes have not been contentious and pertain to administrative change orders, claims, and alternative options. Members are scheduled to review subcontracting provisions and the committee anticipates receiving some EC/CM and MC/CM proposals during the October meetings. The committee's schedule has been adjusted to align with the schedule of the Reauthorization Committee as he serves on both committees and to ensure

legislative proposals are submitted to the Reauthorization Committee for developing a reauthorization bill. Following submission of all legislative proposals by March 2020, the committee plans to work on providing input and follow-up to the Reauthorization Committee and CPARB on the legislative recommendations with efforts then focused on development of a best practices document similar to the Design-Build Best Practices Guidelines.

Ms. Zahn recommended the GC/CM Committee should refer to the principles for the alternative subcontractor process developed by the Board's former ECCM\MCCM Best Practices Committee. The PRC applications include a reference to best practices for M/E CCM. Vice Chair Keith noted that based on current input from sub-contractors, those best practices have been insufficient in addressing the concerns and some statutory changes are necessary.

Chair Schacht pointed out CPARB's adopted best practices are embedded within the curriculum as part of the GC/CM workshops sponsored by the AGC Education Foundation, as well as Design-Build workshops.

***Business Equity/Diverse Business Inclusion – Information***

Chair Schacht advised that the committee received a presentation on the Disparity Study Report. The same presentation is scheduled for later in the meeting.

***Data Collection Implementation – Information***

Ms. Kondalis briefed members on activities of the Data Collection Implementation Committee. Members last met on September 18, 2019. The majority of the meeting included presentations by the Department of Labor and Industries (L&I) and OMWBE. Members received information on new data platforms and data portals. L&I is pursuing efforts to identify project details, such as the project type and enabling reporting of all projects rather than limiting reporting to only those projects paying prevailing wage. Jolene Skinner with L&I presented information on the different platforms. Rex Brown provided an overview on the results of the Disparity Study. Next steps for the committee include addressing and drafting a response to recommendation #3 from JLARC's last review and continue the collection of PRC application responses through the end of 2019. Efforts will then intensify to align with other agency data collection systems for the development of best practices or white paper recommendations for a holistic collection of data from different data collection venues.

Mr. Thompson said the focus of the committee's efforts at this time is developing a proposal for the Reauthorization Committee to address JLARC's question within its 2013 report. He thanked Ms. Skinner, Mr. Brown, and other participants who are working to address stakeholder concerns surrounding data alignment and accessibility to information on awarded contracts.

Ms. Zahn emphasized the importance of using original data source to avoid replicating efforts.

Vice Chair Keith commented that when she was first appointed to the Board, her impression was that the Board was obligated to collect data. However, after reviewing the statute, provisions in the statute spoke to questionnaires and information to inform evaluation of alternative public works processes. The Reauthorization Committee is exploring some potential statutory changes to the provisions to clarify that the Board can collect information and data to inform the work of the Board. The question is whether the intent is for the Board to serve as the venue for data collection, which has been interpreted differently by many stakeholders.

*Chair Schacht recessed the meeting from 10:00 a.m. to 10:18 a.m. for a break.*

**NEW BUSINESS**

Chair Schacht adjusted the order of the agenda moving the report on the Disparity Study Report as the next item.

***OMWBE/Disparity Study Report – Information***

Ms. van der Lugt reported the Disparity Study was commissioned by the Department of Enterprise Services. Rex Brown now serves as OMWBE's Assistant Director of the Governor's Subcabinet of Business Diversity at OMWBE. The Subcabinet transitioned to OMWBE effective July 1, 2019 from DES. During the last several weeks she and Mr. Brown have presented the study throughout the state to numerous cities including the cities of Spokane, Tri-Cities, Yakima, Bellevue, Everett, Vancouver and other cities. A substantial amount of feedback was received, as well as good ideas on where the focus of the study data should be over the next several years.

Rex Brown presented information on the purpose and the results of the Disparity Study.

Since the United States Supreme Court case of *City of Richmond, VA vs. J.A. Croson Company*, the courts have clarified the importance of identifying facts prior to establishing any programming for issues of sex and race-based preferences. Essentially with the ruling, it is difficult to establish any programs that improve access for gender or minority-owned businesses by apportioning public contracting opportunities on the basis of race or sex. Strict scrutiny applies and programming must be narrowly tailored to the actual harms occurring based on demographic information, which speaks to why disparity studies are so important. A disparity study is an analysis that examines the number of specified individuals or groups who are available to obtain contracts and those who are actually selected. The 2019 Washington State Disparity Study was the first study to examine all goods and services, client services, and public works contracting and purchasing excluding WSDOT's Federal Transportation Program. Client services cover home health services and direct agency to client care, such as social services. None of those areas had been previously examined by the state. WSDOT's main study has been completed. Sound Transit is engaged in a disparity study. The City of Tacoma completed a disparity study. The City of Seattle released an executive order outlining how the city's study will review specific areas.

All the studies are important because the courts have predicated the establishment of fact first before remediating race or gender-based discrimination. Additionally, the state study cannot be substituted for the local area study because of different populations and different spin patterns, as well as differences in North American Industry Classification Systems (NAICS) codes. Although state anecdotal evidence is important for different markets, that information cannot be substituted for information contained in the local study.

The disparity study considered utilization as a percent of total dollars in agency geographic and product marketplaces using a 75% sample of contract and subcontract dollar payments and final contract data files. The disparity study calculated disparity indices for contracts by:

- All race and sex groups and all industry groups combined & disaggregated.
- Examined various impacts by industry & NAICS codes.

The general rule for disparity ratio was utilization of M/WBEs (Minority & Women Business Enterprises), over utilization of M/WBEs, and underutilization of M/WBEs. The study collected data and analyzed state utilization of M/WBEs using data for all funded contracts or identified sectors from 2012-2016. All areas with data were included to produce a superset of availability. The final data contract file totaled \$3.4 billion in contracts awarded to 613 primes (74.5% of the contract amount) and 2,690 subcontractors (25.5% of the contract amount). The study identified M/WBE aggregated weighted availability of 84.8% comprising a combination of M/WBEs at 15.2% compared to non M/WBEs at 84.8%. The study did not include data for veteran-owned businesses despite the fact the effort also analyzed veterans. Results of those efforts found the veteran population was so small that it could not be sampled. Veteran-owned business data were not included in the quantitative numerical representation but it is included in the anecdotal information. The analysis further breaks down utilization by Blacks, Hispanics, Asians, Native Americans, and White Females.

Data were also included reflecting the actual contract dollars spent on each of the demographic categories. For M/WBEs, the total contract dollars were \$444,050,244.54 with specific amounts identified for each demographic. To determine total M/WBE availability, the study used OMWBE certified information, Dun & Bradstreet information, and contract information. Utilization percentages are based on the percentage of the contracting population. While Blacks comprise 4% of the entire population in the state, only 1.5% of Blacks received a public contract. The percentage of demographic groups contracting is lower than the percentage of the same demographic group in the state because data are only reflective of those individuals who are ready, willing, and available to do the specific work within the specific NAICS codes.

Mr. Brown reviewed the Disparity Study results:

Race/Gender	Disparity Ratios (All Sectors & Agencies Combined)	Disparity Ratios (Without Client Services)	Disparity Ratios (Without Client Services & NAICS 238210)
M/WBES:	102.4%	71.3%**	54.43%***++
Blacks:	70.4% ++	2.5% ++	2.52% ++
Hispanics:	86.8%	110.1%	85.87%
Asians:	29.3% ++	29.9% ++	30.37% ++
Native Americans:	294.5%	310.3%	322.35%
White Females:	116.8%	79.8%	53.05% ++
Non-M/WBES:	99.6%	105.3%***	109.02%***

\*\*\*Indicates statistical significance at the 0.001 level  
 \*Indicates statistical significance at the .05 level  
 ++Indicates substantive significance (Under 80%)

The courts have ruled that disparity ratios below 80% represent a substantive disparity and it is possible that any remedies adopted by programs must be “narrowly tailored” to that discrimination.

Mr. Brown referred members to the Disparity Study tab on the OMWBE website for additional information on the statistical information. The website includes a 3-page summary to help understand the Disparity Study and different sections of the study. Additionally, the Executive Summary includes an overview of the different NAICS codes included in the study.

The Disparity Study involved a substantial amount of research to include a survey of Business Owners and the American Community Survey. The information essentially conveyed the same outcomes pertaining to wages, business formation rates, or sales receipts. MBEs and women are facing significant disparity in comparison to white males.

Key anecdotal data reported included:

- Most M/WBEs reported that it is extremely difficult to obtain work on State projects.
- M/WBE certification conferred few benefits.
- Long established firms recounted the negative impact of Initiative 200.
- Small firms found it difficult to access contracting information.
- Contracts were often too large for small firms.
- Insurance, bonding, experience requirements, etc., are barriers.
- Antiquated and decentralized state systems are challenges.

Disparity Study recommendations include:

- Improve and implement an electronic data collection and monitoring system
- Combine current policies and provide best practices.
- Conduct pre-bid conferences. Feedback indicated that agencies that could conduct pre-bid conferences elected not to conduct pre-bid because agencies do not believe conferences yield any beneficial outcomes. Part of the issue is the lack of outreach and community engagement.
- Post winning bidders/proposers to websites.
- Conduct additional outreach efforts.
- Conduct special outreach to M/WBEs in industries where they have received few opportunities.
- Focus outreach on agencies with low M/WBE utilization.
- Increase technical assistance to M/WBEs and small firms.
- Lengthen solicitation times.
- Review contract sizes and scopes, consider unbundling. Currently OMWBE, DES, and the Washington State Department of Veterans Affairs are exploring ways to achieve the goal.
- Raise the Direct Buy limits.
- Adopt quick pay policies. DES is exploring options and policies that will be communicated to other agencies.
- Review insurance, surety bonding & experience requirements.
- Train state staff on how to increase diversity in contracting.
- Develop race- & gender-neutral programs like:
  - Bonding & financing support
  - Target Market program
  - Mentor-protégé program, etc.
- Develop performance measures for success.

Mr. Brown reported he moved to OMWBE with the successful completion of the Disparity Study to implement programming that is race and gender neutral to make changes. The Governor's Subcabinet is comprised of the six largest agencies in the state to include WSDOT, DES, L&I, Department of Corrections (DOC), Department of Social and Health Services (DSHS), DCYF, Health Care Authority (HCA), and several other partners. All actions are reviewed by the Attorney General Office (AGO). The roadmap to contracting equity was the creation of the Governor's Subcabinet on Business Diversity, consulting with the Attorney General to release a legal opinion, and building a Community of Practices to establish race and gender neutral programs followed by evaluation for determining the success of the programs. If success is not demonstrated, an option would be considered for enforceable mandatory programs.

The Community of Practice (CoP) provides support for agencies including resources such as model policies, tools, and best practices, as well as training support. Technical assistance and small business sites have been launched on the OMWBE website with links to the Department of Commerce and the Office of Regulatory Innovation and Assistance for a small business guide.

Areas of focus include:

- Measurement Framework
- Improved Certification
- Community of Practice
- Technical Assistance

The AGO Opinion and the Disparity Study provide the legal framework for moving forward. A detailed Action Plan identified the tasks, task leads, partners, expected outcomes, status, and due dates. A considerable amount of work has been completed to date with the completion of the Measurement Framework. Lean techniques have been applied to each of the tasks for continuous improvement. OMWBE certification has increased to 2,500 from a low of 1,500. The CoP is currently working on distributing information to all agencies. Technical assistance was launched in October. The Disparity Study was completed on June 19, 2019 after a two-year process.

Ms. Reyes asked about the status of current efforts based on the information learned from the Disparity Study. Mr. Brown replied that following the release of the study, all groups and recommendations were reinitiated with some areas that have not been initiated despite the study's recommendation. Most of the areas of current focus were included in the study's recommendations. Mr. Reyes asked about the organizational layers that have been targeted for training.

Ms. van der Lugt reviewed the focus of OMWBE for the next two to three years, based on the level of funding. OMWBE has been working with the Governor's Office over the last year to keep them updated on future needs. When the study was released, the Governor's Office provided funding for the purchase of the data tracking system to implement the top recommendation of electronic data collection. The funds are only for the purchase of the system and not for maintenance or ongoing expenses. Currently, OMWBE is recruiting for a Project Manager to launch the system. Funding has been requested from the Governor's Office to continue data collection efforts for the next year. Elisa Young has met with over 50 agencies this year and has collected data. Each agency is at a different stage with some agencies involved in equity and diversity and exclusion while some are just beginning and others having no knowledge of the efforts. OMWBE is developing guidelines because each agency is at a different point and each agency has a different focus. Ms. Young will be entering all the information gleaned at this point in the new system. The data collection system will eventually be able to provide information on prime contractors, subcontractors, and agency expenditure. Mr. Brown and Ms. Young have done good work over the last several years with the CoPs, Policy Action Team, DES, and conducting weekly agency meetings. The goal is not to become siloed in the efforts to avoid

duplication of efforts and to ensure a continuum of conversations with agencies and teams. Training for state agencies, education institutions, and business organizations will be accomplished by developing an internal Train the Trainer Program. Participants will attend an annual week-long national conference on compliance and certification. Similar to the training, training will be offered to approximately 29,000 employees with an equity lens to include some cultural training for procurement specialists. All the training efforts will require the addition of staffing resources.

Technical assistance was an area that was frequently addressed during the road trip. Certification staff members within OMWBE have also provided feedback from businesses seeking certification. OMWBE requested funding to provide support services and technical assistance to assist businesses in their goals of increasing capacity and providing assistance to companies. Many companies have no experience in submitting bids, completing a budget analysis, or billing and invoicing.

Outreach and education, a component of technical assistance, will be a statewide program for Minority and Women-Owned Businesses. Outreach is also important to non-certified firms. Many people who attended the study presentations shared that they were unfamiliar with the Disparity Study and never knew about OMWBE. After learning about OMWBE, many small business owners asked about the benefits of certification or asked for assistance in completing the paperwork. That type of outreach and education will be important statewide. Other efforts include a request for additional funding for the Governor's Subcabinet to retain Mr. Brown and add staff members. Because outreach and education efforts are resulting in more certification applications, OMWBE requires more staff. The last initiative is language access. The forms for certification, procurement, and contracting are difficult for the Spanish-speaking population or other language populations. OMWBE is seeking assistance with language access and has partnered with some agencies that have been successful with language access. Although it is possible to learn from those agencies, OMWBE must do a better job because of the number of requests for information. The OMWBE has an obligation to be proactive. A year ago during discussions with the Governor's Office, it was important to begin laying the groundwork. The Disparity Study has assisted the agency because in addition to industry requests for assistance, the agency now has data. The Governor's Office has recently solicited the agency's involvement with discussions with staff and the Governor about future work. OMWBE is also seeking stakeholder assistance with the Legislature because the work will include collaboration with agencies.

Mr. Reyes asked how the approval of I-1000 might affect the Disparity Study. Ms. van der Lugt, said I-1000 is not affecting the work moving forward.

Chair Schacht commented on the importance of waiting for the outcome after the general election. At issue is what the Disparity Study has created, which is to increase equity in contracting regardless of the outcome of I-1000. The results of the general election will likely result in addressing the question again and allowing some time for the state to respond if the initiative passes. Additionally, the Disparity Study focuses only on the state while the Board's oversight is more than just state agencies it also includes all public agencies. I-1000 would likely expand the issue to everyone.

Ms. Zahn noted that one of the challenges is that each agency is in a different place. All the public agencies under the umbrella of the Board's responsibility include some agencies that have implemented good diversity policies and programs while many others have not. One challenge to overcome is implementing some alignment so that businesses seeking work are not having to apply in so many different platforms or are encountering difficulty in competing because of the necessity of learning so many different nuances. It would be important to establish a system that help businesses avoid jumping through hoops to identify work or learn about different processes.

Mr. Brown noted that capacity in small businesses has been an ongoing issue for many years with many businesses finding it difficult to succeed. Different forms of technical assistance are necessary to address the fact that those impacts have occurred over a number of years. Ms. Zahn agreed but noted that her comment has less to do with capacity within the firm but more about the efficiency of firms being able to compete because they must learn all the nuances.

Chair Schacht noted that in parallel to Ms. Zahn's comments, an important element identified during the Design-Build best practices effort for encouraging competition was rethinking selection criteria to open the door to more entities. He recently received a notice of procurement from a state agency that included within the criteria; *previous experience with the state agency*. That criterion does not open the door to new entities, and, in fact, if the entity never contracted with the agency, the entity would likely not be considered. It is important to rethink the selection criteria limiting business inclusion. Instead, selection criteria should award an extra point to those firms that have never contracted with the agency.

Vice Chair Keith commented that she does not perceive the outcome of I-1000 changing the outcome of efforts as the Attorney General's opinion did not prohibit all types of efforts that could promote contracting equity. Language about preferences was never defined. Regardless of the outcome of I-1000, the law would not be a panacea and the work pursued because of the Diversity Study should continue.

Mr. Thompson reported he is a member of the AGC Diversity & Inclusion Committee and participates in the GC/CM Committee. Discussions at both committees have included issues surrounding payments, particularly payment for added work that was not disputed and the role that public agencies have as owners recognizing that a policy exists promoting quick payment. However, some public owners are withholding payment for undisputed added work. Often, it has taken months and in some cases up to a year to receive payment. A small business cannot afford receiving late payment. He asked public agencies to understand they all have a responsibility to ensure procedures for payment of undisputed work is being paid in a way that complies with the policy. Comments about the issue were raised during the AGC Diversity & Inclusion Committee and the GC/CM Committee meetings.

Chair Schacht recommended reserving some time during the December meeting for a follow-up discussion on the issues. Secondly, he recommended including the topic during the GC/CM Committee and the Design-Build workshops because many of the individuals attending those workshops are public owners. Elisa Young is involved in the Design-Build workshops. It is important to begin using the information in an educational forum.

Ms. Zahn acknowledged the request as she and Ms. Young are leading the *Encouraging Competition* class for the Design-Build class.

Ms. Reyes cautioned against creating redundancies in data collection.

Mr. Brown responded that some time is necessary for staff to understand and assess through mapping where data centers are located. Some centers may only have some of the data while another center may have other elements of data. After mapping current availability of data centers and the business requirements, it will be easier to integrate the data. OMWBE plans to work with a consultant on data integration.

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

Ms. Deakins updated members on the status of activities by the PRC. At the September 26, 2019 meeting, the City of Seattle and the Department of Enterprise Services received approval for recertification for Design-Build and GC/CM.

The PRC considered five project applications. Four of the applications were for GC/CM and one application was for Design-Build. All project applications were unanimously approved. The project applications included:

- Klickitat Public Hospital District, Northgate Elementary School Replacement Project – GC/CM
- Snohomish County Facilities, Snohomish County Sheriff's Office – S Precinct Project – GC/CM
- Seattle School District No. I, Northgate Elementary School Replacement Project – GC/CM
- Tacoma Public Schools, Skyline Elementary School Replacement Project – Design-Build
- Lakehaven Water & Sewer District, New Headquarters & Maintenance Facility Project – GC/CM

Ms. Deakins added that a number of general contractors attending the meeting supported several of the project applications.

Mr. Thompson commented that PRC provides a good venue for general contractors to learn about important elements of a project for a public body.

Vice Chair Keith noted that the meetings are open to the public and anyone can attend.

Mr. Thompson added that he believes there should be some thoughtful awareness of conflict of interest parameters that should be applied within the PRC environment.

Ms. Baker pointed out that PRC members are very conscientious about any perceptions and often recuse themselves when there may be any perceived conflict of interest.

Chair Schacht said the subject is currently being addressed by the Reauthorization Committee as part of reauthorization. He's appreciative of the issue, but the issue is being addressed and suggested deferring discussion at this time.

Ms. Baker reported PRC statistics for the year have been updated to reflect the number of GC/CM and Design-Build projects and the dollar value of those projects.

Ms. Zahn noted that the conflict of interest is an issue of relevancy in terms of the meeting location of the PRC as there have been discussions about whether it was possible to participate by phone as many eastern Washington firms were having difficulty to learn about projects because of the inability to attend PRC meetings. As the Reauthorization Committee deliberates the issue, members should consider the many elements that tie into equal access to the information and the opportunities that should be considered.

Chair Schacht asked about the number of vacant PRC positions currently under advertisement. Ms. Baker said the Public Hospital position has been vacant for nearly two years and two Construction Trades Labor positions are vacant.

Chair Schacht noted the parallel of the issues between the PRC's vacancy and the vacant Public Hospital District position on the Board. During a recent conversation with Mr. Swenson, he was asked how the Board defines private sector positions. Chair Schacht said he referred Mr. Swenson to the definitions developed by the PRC as the Board lacks position definitions other than the limited provisions in the RCW. By statute, PRC is supposed to reflect the Board.

Ms. Zahn inquired about feedback from the question added to the PRC application about public owner efforts for outreach to women and minority-owned businesses. She asked about the outcomes from the five project applications

reviewed during the September meeting. Ms. Deakins said the questions were included within the applications but that she did not review the completed applications. Ms. Baker said DES has received three applications since the question was added. Ms. Zahn suggested the Board should receive an update from Mr. Dugan at the December meeting. Chair Schacht asked staff to contact Mr. Dugan and request an update as the question on outreach was added to the application in May.

## **NEW BUSINESS**

### ***2020 Legislative Prep – Review Potential Legislation – Information***

Mr. Frare provided an update on several bills of interest.

A bill on subcontractor listing (HB 1571 & SB 5457) was re-introduced. Currently, the RCW requires listing of electrical, plumbing, and mechanical subcontractors at the time of bid or within 24 hours. The proposal would require all subcontracts to be listed.

A new bill sponsored by Representative Doglio concerns reporting on environmental product declarations and incentives for small manufacturers and carbon leadership. The basic premise is that building materials of steel, concrete, and other materials would be limited or require a pricing competition. DES has been queried about the proposed bill several times. Representative Doglio sponsored a similar Environmental Product Declarations Bill several sessions ago. At that time, DES partnered with University of Washington Research to develop a paper on the proposal. Five specific projects were identified for tracking the amounts of embodied carbon based on environmental product declarations. None of the projects are in the construction phase and consequently data are lacking. Representative Doglio wants to introduce a bill either in the 2020 or 2021 session on the next iteration of either reporting or limits based on environmental product declarations.

Ms. Deakins referred members to the bill status report from the 2019 session. The report was published as part of the May 29, 2019 meeting agenda. She encouraged members to share information on any other bills of interest to the Board.

Ms. Zahn noted SB 5457 on bid listing was sponsored by Senator Hasegawa, a member of the Board. She asked whether the Board discussed the proposal with Senator Hasegawa. Mr. Frare said the Board and Senator Hasegawa have not discussed the bill. Ms. Zahn asked about any intent to engage in a discussion with Senator Hasegawa. Chair Schacht affirmed that some discussion occurred by the Board over time, but the Board never acted to offer a recommendation for or against. There is likely shared concern by owners and others that the bill would tie general contractor hands and creates situations that might not be advantageous to a general contractor to execute the work for below bid. One might offer that it also could limit diverse business inclusion because the ability to assign bids after the general contractor contract is awarded might be a strategy for meeting targets.

Mr. Thompson offered that the proposal is a procedural issue for the Board. His opinions as a general contractor would be shared with the Senator but not as a member of the Board because CPARB has not issued a formal opinion. He added that he and Ms. Zahn could meet with Senator Hasegawa to provide some insight as a public owner and a contractor but not as members of the Board.

Chair Schacht offered that should the Board want to entertain taking a position on the bills and other issues, the Board should allocate appropriate time at the December and February meetings. The 2020 legislative session is only 60 days ending in the first week in March. Most of the proposed bills would have likely cleared the committees in January. The Board should determine how much time to allocate to the issue when establishing the December meeting agenda.

Board members as individuals can also contact their respective legislators about bills of importance that might impact their respective constituents.

***Update Responsible Bidder Guidelines – Action***

Ms. Deakins reported the proposed changes to Responsible Bidder Guidelines were posted prior to the meeting. Initially, the proposal was included only as a discussion item; however, she asked for an amendment to the agenda changing the proposal to an action because the proposal is an administrative update to provide guidelines for municipalities and others for using supplemental bidding responsibility criteria. The proposal updates the mandatory elements since the last update in 2017. She outlined the proposed changes to the mandatory criteria added during the 2017 and 2018 sessions. The changes included willful wage payment violations and public works training. The document was updated with additional language to reflect the two legislative changes.

***Bill Frare moved, second by Andy Thompson, to adopt the proposed changes to the Responsible Bidder Guidelines as presented. Motion carried unanimously.***

**ADMINISTRATIVE**

***CPARB Budget Report – Information***

Mr. Frare distributed a copy of the CPARB Budget. Since the last update, no changes have occurred.

***SHB 5418 – Information***

Mr. Frare reported he, Chair Schacht, and representatives from MRSC provided an overview of the public works process, CPARB, and services provided by MRSC to the House Local Government Committee on September 13, 2019. The committee requested information on public works and the role of CPARB, DES, and the recommendation to move forward with MRSC to complete a study on behalf of the Board. SHB 5418 Section 16 delegates CPARB with the responsibility to complete a study and a report on small contracting for local municipalities, public utility districts, and other small districts to address the numerous requests to legislators to raise limitations on different contracting methods and other contracting issues.

DES and CPARB are negotiating a contract with MRSC under a sole source contract. Mr. Frare said he has not obtained authorization to move forward with the contract but anticipates executing the contract soon. A sole source contract was pursued because MRSC is a non-profit organization that has supported municipalities and public works contracting for over 20 years. The organization has much of the information sought by the Legislature. Contracting with MRSC would be administratively efficient and less costly to complete the study and report.

The Board will receive regular updates on the status of data collection and analyses. Following a draft of the report, MRSC will present the recommendations to the Board. Feedback from the Board will assist MRSC in finalizing the report for forwarding to the Legislature after appropriate authorizations are obtained. The report is due to the Legislature in November 2020.

***April CPARB Meeting – Action***

Chair Schacht reported on the proposal to schedule an April meeting to schedule some time for public owners to share procurement successes and lessons learned. After checking with DES, the Board has the sufficient budget to schedule an additional meeting tentatively scheduled on Thursday, April 9, 2020 either in Olympia or at another location to be determined later.

**Bill Frare moved, seconded by Mike McCormick, to schedule an additional Board meeting for a series of presentations on lessons learned and ways to improve on Thursday, April 9, 2020 at a time and location to be determined later. Motion carried unanimously.**

**Draft Agenda for Wednesday, December 11, 2019 Meeting – Action**

Vice Chair Keith reviewed the proposed agenda:

- Regular Committee Updates:
  - Reauthorization Committee (additional time requested)
  - JOC Evaluation Committee
  - GC/CM Committee
  - Business Equity/Diverse Business Inclusion
  - Data Collection Implementation
  - Project Review Committee & Update on recent application changes
- Legislative Agenda or Positions
- Bylaws
- Potential Updates to Committee & Board Membership
- 30-40 minutes for broader discussion with Rex Brown on implications of Diversity Study and ways to increase participation
- Status on SHB 5418
- Discussion on April 2020 meeting – location and agenda

Mr. Thompson commented on the possibility of inviting legislative Board members to receive an executive summary of any CPARB supported legislation and the status of reauthorization efforts. He offered to contact Senator Hasegawa and extend an invitation.

Mr. Thompson recommended including future meeting dates on the agenda.

Mr. Thompson clarified that the request to legislative members would provide an opportunity for them to view how the Board deliberates a bill.

Ms. Zahn recommended providing the Board with a pro or con list of legislative bills for potential majority or minority reports.

Vice Chair Keith suggested individuals who want the Board's endorsement of specific legislation should attend and be prepared to speak to the proposal.

Chair Schacht suggested that if there are any Board members who contemplate the Board taking action by issuing a letter or other position paper, the Board should receive documentation prior to the December meeting on why the issue is critical to CPARB and why the Board should render a position.

Mr. Thompson pointed out that many bills of interest to the Board are introduced by DES, which speaks to the ability to bring bills forward differently than other sponsors of legislation. He cited the bill on listing of subcontractors as an example and whether the Board plans to discuss the bill at the next meeting. Chair Schacht replied that if the intent is to seek support and interest by the Board, members or other supporters of the bill should provide a one-page memorandum on how the issue is under the purview of CPARB to evaluate and offer comments.

Mr. Frare affirmed he presents many legislative issues as he is often asked by the Legislature to comment on various proposals. As a Board member, his intent is to share information, as well as provide a heads-up on potential legislation of interest to limit surprises to the Board. During the last legislative session during the discussions on the bid listing bill, he was asked by legislators if the bill should be reviewed by CPARB. He responded that the Board was working on reauthorization and the agenda was full. However, it didn't prevent a legislator from pursuing a request to CPARB to study local government contracting limits.

Chair Schacht queried members on the option to schedule the December meeting at 9 a.m. and extending the meeting until 1:30 p.m. or 2 p.m. Members concurred with the request.

**ADJOURNMENT - Action**

***Bill Frare moved, seconded by Mike McCormick, to adjourn the meeting at 12:23 p.m. Motion carried unanimously.***

**ff & Guests**

Talia Baker, Department of Enterprise Services  
Nancy Deakins, Department of Enterprise Services  
Matt Dermot, Cascade Walter Alliance

Valerie Gow, Puget Sound Meeting Services  
Tae-Tee Han, Sound Transit  
Janet Jansen, Department of Enterprise Services  
Shannon Pitts, Department of Enterprise Services

Jim Kaltenbaugh, Department of Labor & Industries  
Aleanna Kondalis, University of Washington  
Art McCluskey, Washington State Dept. of  
Transportation  
Shari Purves-Reiter, Department of Labor & Industries  
Jolene Skinner, Department of Labor & Industries  
Melissa Van Gorkom, WA State Legislature - SCS

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Walter Schacht, CPARB Chair

Prepared by Puget Sound Meeting Services, [psmsoly@earthlink.net](mailto:psmsoly@earthlink.net)