

CPARB “Principles For Alternative Subcontractor Selection Process”

Topic:

Alternative Subcontractor Selection Process (M/E CCM) – RCW 39.10.385

Introduction/Purpose:

There have been concerns about inconsistencies with how public bodies and general contractor/construction managers (GC/CMs) use the alternative selection process under RCW 39.10.385 to select mechanical and electrical subcontractors for public works projects. These inconsistencies and varied approaches are challenging the very reason the alternative selection process was established. At its December 2015 meeting, the Capital Projects Advisory Review Board (CPARB) acted to approve the formation of a stakeholder committee comprised of members from public bodies, GC/CMs, and mechanical and electrical contractors to:

1. Review recent projects that utilized the RCW 39.10.385 process for mechanical and electrical and identify significant successes and concerns;
2. Develop a model procurement for M/E CCM under RCW 39.10.385 and identify best practices;
3. Recommend to CPARB changes to RCW 39.10.385, if necessary.¹

Appointed Committee Members:

Thuy Hong, Sound Transit

Ed Kommers (Chair), Mechanical Contractors Association of Western Washington

Aleanna Kondelis, City of Seattle

Jon Lebo, University of Washington

Dick Lutz, Centennial Construction

Barry Sherman, National Electrical Contractors Association, Puget Sound Chapter

Mike Shinn, Shinn Mechanical

Andrew Thompson, Granite Construction

Janice Zahn, Port of Seattle

Stakeholders Participating:

Kurt Boyd, Valley Electric Co.

Nancy Deakins, Department of Enterprise Services

Curt Gimmestad, Absher Construction

Leanne Guier, UA Local 32 Plumbers and Pipefitters

Bob Maruska, Port of Seattle, CPARB

¹ The Committee discussed possible amendments to RCW 39.10.385. However, the Committee did not reach a consensus regarding amendments. Thus, the Committee elected not to submit any proposed amendments to CPARB for consideration.

Dave Johnson, Hoffman Construction
Stacy Johnson, Auburn Mechanical
Steve Larson, Mortenson
Scott Middleton, Mechanical Contractors Association of Western Washington
Paul Robinette, Hermanson
Rob Robinson, Skanska
Jeff White, Holmberg Co.

Meeting Dates:

February 29, 2016
April 4, 2016
May 2, 2016
June 6, 2016
July 11, 2016
October 10, 2016

Principles For Alternative Subcontractor Selection Process:

1. *The Request For Proposal Or Other Document(s) Presented By The GC/CM or Public Body At The Public Hearing Should Show That The Use Of M/E CCM Is Justified.* Mechanical and electrical contracting projects are complex. However, some projects can still be delivered using low bid procurement pursuant to RCW 39.10. To satisfy RCW 39.10.385, the hearing notice or solicitation should show why M/E CCM is better-suited to effectively and efficiently deliver the project than low bid procurement under RCW 39.10. Therefore, the justification should, at a minimum, consider the following factors, as applicable:
 - a. The project risks that this procurement process will address
 - b. Budget management
 - c. Critical scheduling
 - d. Specialized skill requirements specific to the project
 - e. Scope management
 - f. Importance of collaboration on the project
 - g. Site constraints
 - h. Benefits of preconstruction services

Note: these are not evaluation factors to be scored under RCW 39.10.385(3).

2. *Scoring Should Be Cumulative.* Points for the written proposal, interview, and fee/special general conditions (SGC) proposal should be combined to determine the most qualified firm. There should be no “clean slate” once the written proposals have been scored, because doing so places too much emphasis on the fee/SGC proposal.
3. *SGC requirements should be clearly defined, with a concise definition of what is considered SGCs for the project vs. cost of work.*

4. *The Interview Process Must Be Fair And Transparent.* If interviews are going to be used in the M/E CCM selection process, the request for proposal (or subsequent documents provided to the finalists) should, at a minimum, contain the following information:
 - a. Names and/or roles of all interview panelists
 - b. List of topics to be asked of the proposer (other questions may be asked)
 - c. How the interviews will be prioritized and scored

5. *Proposers Should Not Be Scored Down For Subcontracting.* A request for proposal typically asks about the proposer's plan to subcontract or self-perform certain scopes of work on the project. Proposers should be given an opportunity in their written proposals to describe how they can more effectively and efficiently subcontract a certain scope of work under RCW 39.10.380 rather than self-perform the work. Subcontracting is specifically allowed under RCW 39.10.385(12). Proposers should not be scored down because they choose one method over the other if they can show that is the best way to deliver the work.

6. *The Request For Proposal Should Identify Experience or Expertise For Key Personnel.* For example, if the GC/CM is looking for a project manager with experience with five (5) projects similar in size and scope to the project at issue, then the request for proposal should state that when seeking information about the firm's professional personnel.