



**STATE OF WASHINGTON  
Capital Projects Advisory Review Board**

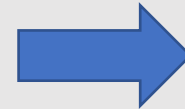
# *Local Government Public Works Contracting Study– Update*

---

April 15, 2021

# Stakeholders

## Legislature



### Construction/Trades/Labor

- General Contractors
- Organized Labor
- Small Business

### Public Agencies (Owners)

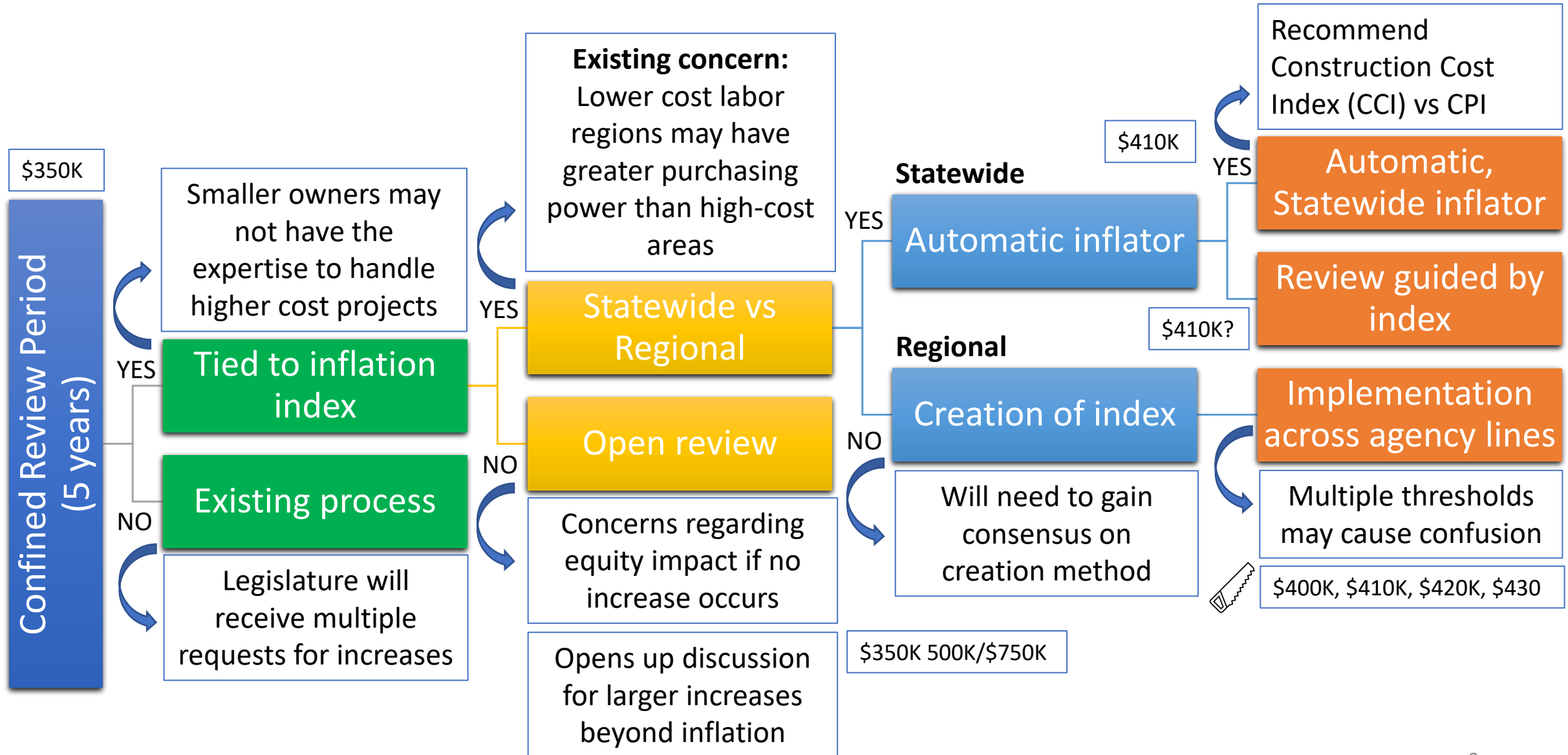
- Cities
- Counties
- Special Purpose Districts



### Partner Agencies

- DES
- OMWBE
- L&I
- PTAC

# SWR Threshold Increase Decision Matrix



# Threshold increase recommendations

- **Original Recommendation:** Tie Small Works Roster threshold increases to state-wide inflation factor based on CCI
- **Alternative Recommendation #1:** Tie Small Works Roster threshold increases to state-wide inflation factor based on CCI at a five-year interval
- **Alternative Recommendation #2:** Review potential Small Works Roster threshold increase at a five-year interval



# Local Government Resource Funding



## Public Agency Support

- General project guidance
- Supplemental criteria usage
- Scoping documents
- RFP process evaluation



## Business Support

- Solicitation process guidance
- Requirements consulting
- Outreach events
- Marketing strategy advice

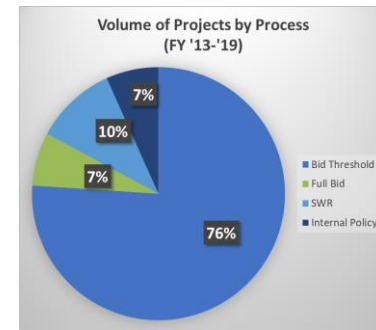


## M/WBE Technical Assistance

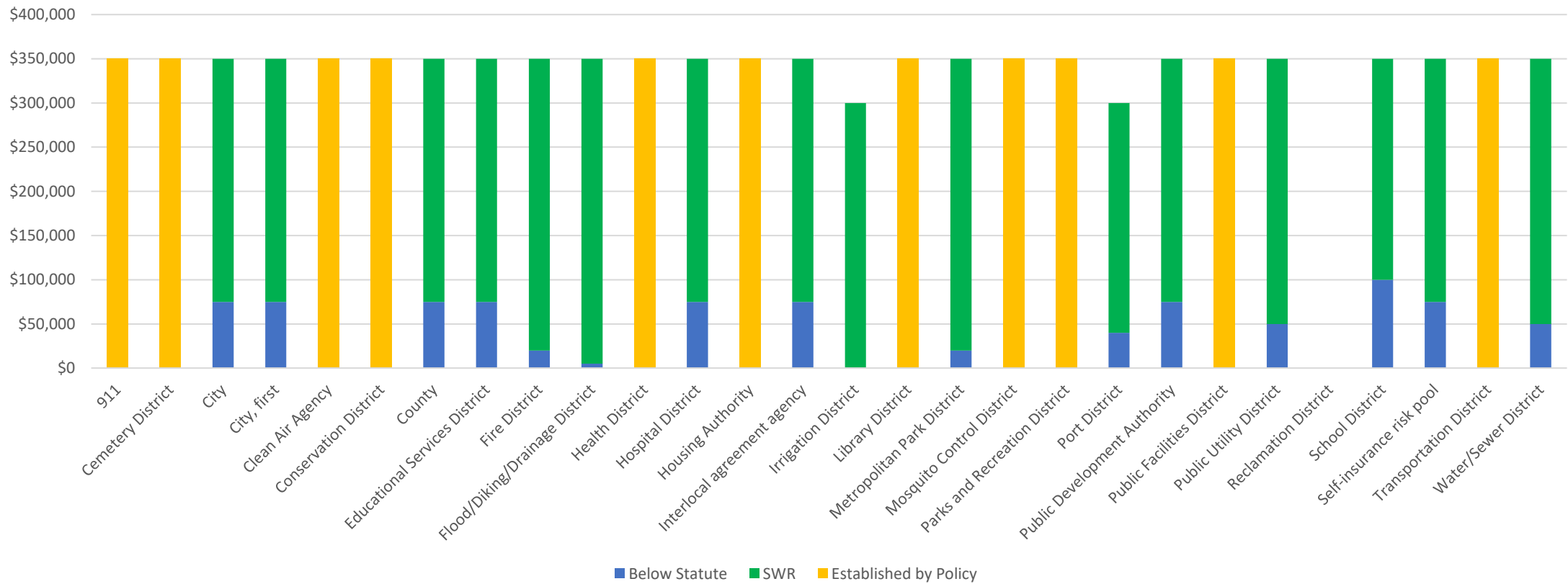
- Facilitate M/WBE's/ & Local Gov't connection (mentorship, apprentice)
- Local Gov't Inclusion Plans
- BIPOC/WO community outreach
- Language Access

Ask of \$1M in funding to support additional two FTE for MRSC, PTAC and OMWBE each

# Current Expedited Process Structure



Expedited Process Allowance by Government Type



# Defining Thresholds

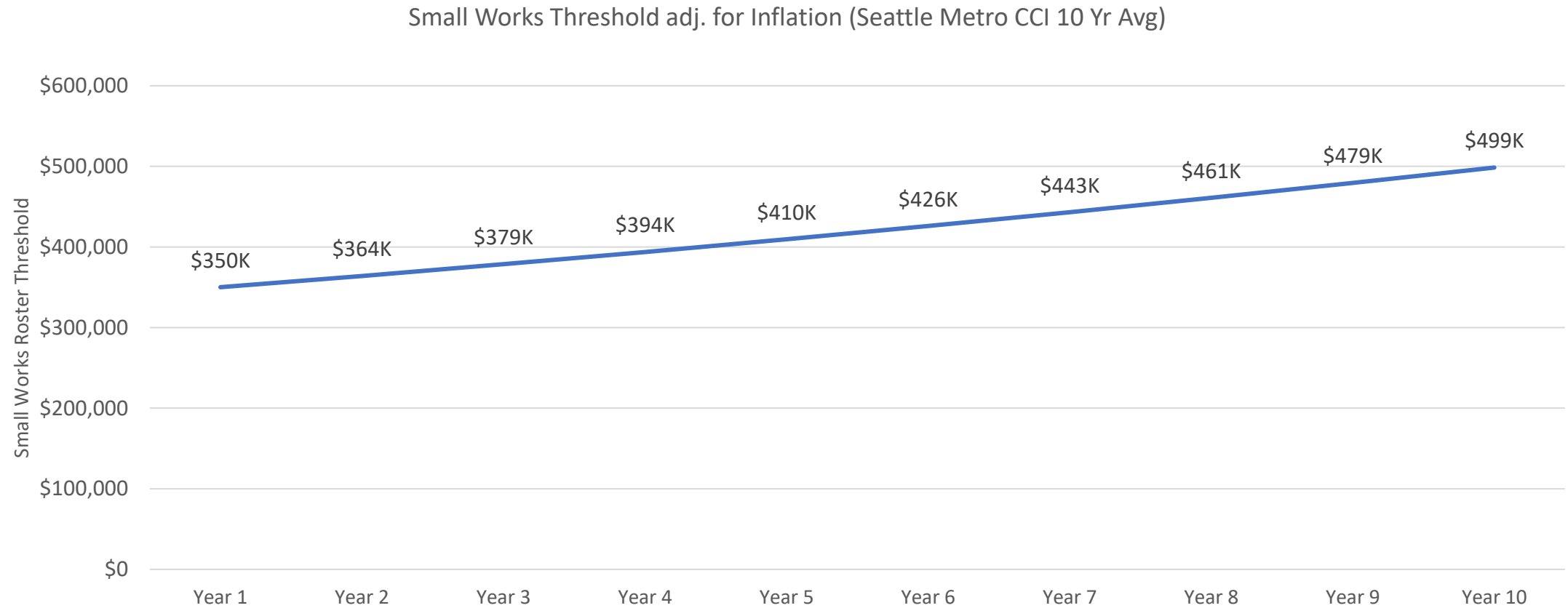
- Two primary public works thresholds
  - Bid Threshold
  - SWR
- Take a variety of forms across agency types

Government Type	Bid Threshold	Small Works Roster Threshold	Applicable RCW	Limits for Work by Agency Employees
Area Agency on Aging	Subject to state bid requirements of RCW 43.19		74.38.050	Follows state requirements of RCW 43.19
City, first class	\$75,500 (1 craft) \$150,000 (>1 craft)	\$350,000	35.22.620	Per project: \$75,500 (1 trade), \$150,000 (>1 trade). NTE 10% of public works budget.
City, second class and towns city code	\$75,500 (1 craft) \$116,155 (>1 craft)	\$350,000	35.23.352 35A.40.210	Per project: \$75,500 (1 trade), \$116,155 (>1 trade). NTE 10% of public works budget.
Conservation district	None; established by policy		89.08	No statutory limits - set by policy
County, population >400k with purchasing department	\$0	\$350,000	36.32.235	Per project: \$45,000 or \$125k for Riverine or stormwater project (1 trade), \$90,000 or \$250k for Riverine or stormwater project (>1 trade). NTE 10% of public works budget.
County, population <400,000 with purchasing department	\$0	\$350,000	36.32.240 36.32.235	Per project: \$45,000 or \$125k for Riverine or stormwater project (1 trade), \$90,000 or \$250k for Riverine or stormwater project (>1 trade). NTE 10% of public works budget.
County without purchasing department	\$40,000	\$350,000	36.32.250	Allowed for non-road projects; road project limits set according to population and motor vehicle fuel tax factor
Educational service district (ESD)	None; established by policy (unless contracting on behalf of a school district, in which case school district bid laws apply)		28A.310	Most restrictive of establishing jurisdiction; if NA then by policy
Fire district	\$20,000	\$350,000	52.14.110	Not authorized
Flood/diking/drainage district	\$5,000	\$350,000	85.38.190	\$5,000
Health district	None; established by policy		70.46	No statutory limits - set by policy
Hospital district	\$75,000	\$350,000	70.44.140	\$75,000
Housing authority	None; established by policy		35.82; AGO 2009 No. 2	No statutory limits - set by policy

Government Type	Bid Threshold	Small Works Roster Threshold	Applicable RCW	Limits for Work by Agency Employees
Interlocal agreement agency	Most restrictive of establishing jurisdiction		39.34	Most restrictive of establishing jurisdiction
Irrigation district	\$0	\$300,000	87.03.435-436	No limit; must bid materials used by employees; must follow public works bid process when materials unless provided by contractor
Library district	None; established by policy		27.12	Most restrictive of establishing jurisdiction; if NA then by policy
Mosquito control district	None; established by policy		17.28	No statutory limits - set by policy
Park and recreation district	None; established by policy		36.69	Most restrictive of establishing jurisdiction; if NA then by policy
Metropolitan parks district	\$20,000	\$350,000	35.61.135	\$20,000
Port district	\$40,000	\$300,000	53.08.120	Allowed for all projects, except when over \$40k, must make a determination whether cost is lower performed by contract
Public development authority (PDA)	Statutes of creating city or county		35.21.730	Statutes of creating city or county
Public facilities district (PFD)	None; established by policy		36.100.030 35.57.020	No statutory limits - set by policy
Public utility district (PUD)	\$50,000	\$350,000	54.04.070	\$300,000
Reclamation district (over 1 million acres)	All public works must be formally bid		89.30.154	Not authorized
Regional support network (RSN)	Statutes of creating county		71.24.300	Statutes of creating county
School district	\$100,000	\$350,000	28A.335.190	\$75,000
Self-insurance risk pool	Most restrictive of establishing jurisdiction		48.62	Most restrictive of establishing jurisdictions
State college or university	\$45,000 (1 craft) \$90,000 (>1 craft)	\$350,000	28B.10.350 28B.50.330	\$45,000 (1 craft) \$90,000 (>1 craft)
Transportation authority (under RCW 36.57 or 36.57A)	None; established by policy		36.57A	No statutory limits - set by policy
Transportation authority (under RCW 35.21.225 or 36.73)	Statutes of creating city or county		35.21.225 36.73	Most restrictive of establishing jurisdictions
Water-sewer district	\$50,000	\$350,000	57.08.050	\$50,000

Note: "Craft" refers to professional trades. The bid threshold is thus based on the number of professional trades required to complete a project.

# CCI Inflation Adjustment





# Recommendations – Unanimous / Policy

#	Recommendation	Vote Status	Ongoing maintenance	Considerations
1	Adjust Port District and Irrigation District Small Works Roster Statutes to refer to RCW 39.04.155	Unanimously in favor	No	Someone appointed to review statute language for Port and Irrigation districts
5	Remove retainage and bond requirements for projects under \$5,000	Unanimously in favor	No	Someone appointed to review which statute to update.
8	Define small business in the public works contracting statute	Unanimously in favor	No	Identify which statute to update and develop language definition

# Recommendations – Unanimous / Maint.

#	Recommendation	Vote Status	Ongoing maintenance	Considerations
6	Create a centralized list of rosters	Unanimously in favor	Yes	<ul style="list-style-type: none"> <li>• How will this be implemented?</li> <li>• Who will maintain this?</li> <li>• Commitment from agencies to keep updated</li> <li>• Determine if set in statute or other mechanism</li> </ul>
7	Create list of certification/registration programs for disadvantaged businesses	Unanimously in favor	Yes	<ul style="list-style-type: none"> <li>• How will this be implemented?</li> <li>• Who will maintain this?</li> <li>• Commitment from issuing agencies to keep updated</li> </ul>
10	Coordinated schedule for significant outreach events between public agencies and other stakeholders	Unanimously in favor	Yes	<ul style="list-style-type: none"> <li>• How will this be implemented?</li> <li>• Who will maintain this?</li> <li>• Commitment from agencies to keep updated</li> </ul>

# Recommendations – Not Unanimous / Policy

#	Recommendation	Vote Status	Ongoing maintenance	Considerations
3	Expand and define appropriate use of a 'no-bid response' process to all agencies	Yes: 6 No: 1	No	<ul style="list-style-type: none"> <li>Define process to avoid misuse</li> <li>Revisit current authorization to align with this implementation</li> </ul>
4	Give unit price contracting authority to all public agencies and define limits of use	Yes: 5 Abstain: 1 No: 1	No	<ul style="list-style-type: none"> <li>Define process to avoid misuse</li> <li>Revisit current authorization to align with this implementation</li> </ul>

# Recommendations – Not Unanimous / Maint.

#	Recommendation	Vote Status	Ongoing maintenance	Considerations
2	Tie Small Works Roster threshold increases to state-wide inflation factor based on CCI	Yes: 4 Abstain: 1 No: 2	Yes	<ul style="list-style-type: none"> <li>Expansion of SWR a concern for some business entities</li> <li>Define process for five-year inflation increase</li> </ul>
9	CPARB update to supplemental bidder responsibility guidelines	Yes: 3 No: 4	Yes	<ul style="list-style-type: none"> <li>Is funding required for this effort?</li> <li>Define scope of update</li> </ul>
11	Provide professional assistance to local government for contracting guidance and marketing and outreach to contractors	Yes: 3 No: 4	Yes	<ul style="list-style-type: none"> <li>Define scope of support</li> <li>Two lines of support (agency and business)</li> <li>Concern about creating new resources to implement this</li> <li>Identify current available resources</li> </ul>