

## SHB 1621 Review Committee

Meeting Notes 5/2/2023

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**Committee Members:** (8 members, 5 = Quorum)

X Sharon Harvey, OMWBE  
X Bruce Hayashi, Architects  
X Keith Michel, General Contractors  
X Mark Nakagawara, Cities

X Irene Reyes, Private Industry  
Mark Riker, Construction Trades Labor  
X Olivia Yang, Higher Education  
Vacant, MCA

**Guests:**

Talia Baker, DES  
Nancy Deakins, DES

Eric Lindstrom, GC  
Janice Zahn, Ports and CPARB Chair

**Meeting started at 1:07 pm**

*Committee Purpose:*

Review [SHB 1621](#) and make recommendations for CPARB to make recommendations to the appropriate committees of the legislature by December 31, 2023.

*Agenda:*

This first meeting needs to establish committee leadership, determine future meeting schedule, identify additional stakeholder groups that should provide input, and start to develop a plan so CPARB can report back to the legislature by December 2023.

**Discussion Highlights:**

Talia Baker shared that the 2023 Legislature has asked CPARB to review [SHB 1621](#) and the Amendment [1621-S AMS LGLT S2730.1](#) and submit recommendations back to them by December 31, 2023. At this first meeting, the committee needs to identify leadership, establish a meeting schedule, and consider if there are additional stakeholder groups that need to be represented.

SHB 1621 is about standardizing local government procurement rules among special purpose districts, first-class and second-class cities, and public utility districts.

Committee members discussed perspectives on what the bill represents.

Keith Michel feels the bill is about how public owners will manage procurement in more than one delivery method. The thresholds vary by performance method similar to how Small Works is managed and leveling the threshold to \$350K for everyone, but there are some changes that were also included intended to benefit the public procurement process. It incorporates a lot of recommendations from the Local Government Study but with the inclusion of having CPARB continue to review it because the process is not complete.

Olivia Yang feels the [Local Government Public Works Study](#) from 2021 started with limits, thresholds and escalation as they relate to the Small Work Roster. This bill is a second pass to address the problem. The standardization of thresholds will be very difficult for public owners because everyone has different threshold. This creates issues for the private sector.

Nancy Deakins shared her perspective that the bill is increasing thresholds for a variety of public entities (also referred to as bid limits). If the project costs reach that threshold, then the entity is forced to bid out the project. Special districts, cities, contractors, and labor stakeholder have been concerned they would get less work if the self-performed thresholds are raised.

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Olivia pointed out the bill seems to be directed at special purpose districts, first and second class cities and PUDs specifically. Representatives from these stakeholder groups should be included on this committee.

Irene Reyes suggested inviting representatives of those groups affected to make sure the report is more inclusive.

HB 1621 was never brought to CPARB for review prior to session. The sponsors seem to have attempted to tackle some of the items that were passed with the Small Works legislation.

Nancy asked the group to work on identifying who the interested parties may be, and Olivia suggested specialty contractors

There was some discussion on possible contacts and associations that may want to be involved. The consensus was that some recruiting would need to be done before the next meeting which will involve reaching out to the representatives who testified to see if they would either participate or recommend possible contacts. All members are asked to invite possible contacts to the next meeting or send their contact information to Talia for inclusion in the meeting invite.

The next meeting is scheduled for June 6<sup>th</sup> at noon for a working lunch. The Committee members will need to identify committee leadership first on the agenda, and then review invited stakeholders.

### Action items:

1. Committee members consider who else needs to be represented on this committee and bring recommendations to the May 11<sup>th</sup> CPARB meeting and to the next Committee meeting.
2. Keith will reach out to some of the contacts included in the bill reports. Other members are encouraged to reach out as well. Irene will look at local Tribal contacts and Association of Minority & Women's Businesses to see if they wish to participate.
3. Consider Committee Leadership possibilities for the next meeting.
4. Committee timeline:
  - a. May-June Recruit stakeholders and review the bill.
  - b. June-August review and identify issues to address in the report.
  - c. August – September Draft Report.
  - d. October submit Draft to CPARB for recommendations and edits.
  - e. December CPARB approve final Report.

**Meeting adjourned at 1:38 pm**

### References/Resources:

Substitute House Bill 1621: [https://lawfilesexternal.leg.wa.gov/biennium/2023-](https://lawfilesexternal.leg.wa.gov/biennium/2023-24/Pdf/Bills/House%20Passed%20Legislature/1621-S.PL.pdf?q=20230502131531)

[24/Pdf/Bills/House%20Passed%20Legislature/1621-S.PL.pdf?q=20230502131531](https://lawfilesexternal.leg.wa.gov/biennium/2023-24/Pdf/Bills/House%20Passed%20Legislature/1621-S.PL.pdf?q=20230502131531)

SHB 1621 Amendment LGLT S2730.1: [https://lawfilesexternal.leg.wa.gov/biennium/2023-](https://lawfilesexternal.leg.wa.gov/biennium/2023-24/Pdf/Amendments/Senate/1621-S%20AMS%20LGLT%20S2730.1.pdf)

[24/Pdf/Amendments/Senate/1621-S%20AMS%20LGLT%20S2730.1.pdf](https://lawfilesexternal.leg.wa.gov/biennium/2023-24/Pdf/Amendments/Senate/1621-S%20AMS%20LGLT%20S2730.1.pdf)

Substitute Senate Bill Report: [https://lawfilesexternal.leg.wa.gov/biennium/2023-](https://lawfilesexternal.leg.wa.gov/biennium/2023-24/Pdf/Bill%20Reports/Senate/1621-S%20SBR%20APS%2023.pdf?q=20230502131531)

[24/Pdf/Bill%20Reports/Senate/1621-S%20SBR%20APS%2023.pdf?q=20230502131531](https://lawfilesexternal.leg.wa.gov/biennium/2023-24/Pdf/Bill%20Reports/Senate/1621-S%20SBR%20APS%2023.pdf?q=20230502131531)

Substitute House Bill Report: [https://lawfilesexternal.leg.wa.gov/biennium/2023-24/Pdf/Bill%20Reports/House/1621-](https://lawfilesexternal.leg.wa.gov/biennium/2023-24/Pdf/Bill%20Reports/House/1621-S%20HBR%20PL%2023.pdf?q=20230502131531)  
[S%20HBR%20PL%2023.pdf?q=20230502131531](https://lawfilesexternal.leg.wa.gov/biennium/2023-24/Pdf/Bill%20Reports/House/1621-S%20HBR%20PL%2023.pdf?q=20230502131531)

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***Possible Contacts for Committee Representation:***

Joren Clowers, Washington Assoc. of Sewer & Water Districts

Diane Pottinger & Max Woody, North City Water District

***Testifiers at 2023 Legislative Session:***

PRO:

Rep. Cindy Ryu, Prime Sponsor

Brandy DeLange, Assoc. Washington Cities

Joren Clowers, Washington Assoc. of Sewer & Water Districts

Diane Pottinger, North City Water District

Darcey Peterson, King Co Water District #90

CON:

Mark Riker, Washington State Building & Construction Trades Council;

Michael Transue, Mechanical Contractors Association of Western Washington