

Capital Projects Advisory Review Board
Board Development Committee

Meeting Notes 12/03/2024

Page 1 of 5

Co-Chair Bill Frare called the meeting to order at 3:04 p.m. A quorum was established.

Welcome and introductions

Committee members in attendance unless otherwise noted:

Bill Frare, <i>Co-Chair</i> , Owner State		CPARB
Linneth Riley-Hall, <i>Co-Chair</i> , Owner Transit	<i>Absent</i>	CPARB
Lekha Fernandes, OMWBE		CPARB
Santosh Kuruvilla, Owner Engineers		CPARB
Jessica Murphy, PRC Leadership		PRC
Irene Reyes, Private Industry		CPARB
Olivia Yang, Owner Higher Ed		CPARB
Janice Zahn, Owner Ports	<i>Absent</i>	CPARB

Other attendees include:

Talia Baker, CPARB Staff
Jeff Gonzalez, DES (PRC)
Jessica Letteney, MFA
Keith Michel, General Contractors (CPARB)
Mike Pellitteri, Specialty Subcontractors (PRC)
Steve Russo, Specialty Subcontractors (CPARB)

Review and approve agenda – Action

Co-Chair Bill Frare reviewed the agenda and asked for any comments or amendments. He noted that he must conclude the meeting at 4:00 p.m. and requested that the agenda be changed to reflect that.

Co-Chair Frare moved to approve the agenda, seconded by Irene Reyes. The motion was passed by a voice vote.

Review and approve minutes from 11/12/2024 – Action

Co-Chair Frare asked the group to review and provide any edits to the minutes from the meeting on November 12, 2024.

Olivia moved to approve the minutes from November 12, 2024, seconded by Irene Reyes. The motion was passed by a voice vote.

Discuss strategic planning, startup, and structure

Co-Chair Frare noted that the conversation about the scope and strategic planning and startup from November 12 is documented in that meeting's minutes.

Olivia mentioned that they talked about expectations and issues tackled during strategic planning and getting ready for the December CPARB meeting to nominate a contractor, specialty contractor, and another position. She thought that Steve Russo and John Salinas would be proposing someone, and that Bruce Hayashi was interested. He may have thought the meeting started at 3:30 and hadn't logged in yet.

Steve Russo said that he proposed Mike Pellitteri, who is attending, for the Specialty Contactor representative.

Olivia volunteered to talk to a few general contractors. She noted that Dave Johnson is the Vice Chair of the Project Review Committee (PRC) and also a general contractor. In the interests of keeping membership tight, maybe Dave could be the Contractor representative.

Jessica Murphy confirmed Dave is up for volunteering, and hasn't turned down a call to serve.

Co-Chair Frare likes having both PRC leadership representatives on the team; it is more transparent and straightforward.

Jessica noted that she's an owner and Dave is a contractor and between them they cover a lot of perspective.

Olivia suggested with her action item done they could remove the word "vacant" from general contractors in the

Capital Projects Advisory Review Board
Board Development Committee

Meeting Notes 12/03/2024

Page 2 of 5

attendee list, which gives Co-Chair Frare more leeway for membership.

Talia Baker reminded the group that CPARB is the committee appointee.

Jessica said she thought that the committee recommends and CPARB approves.

Olivia observed that that leaves only the Architects/Labor/Other category as empty and asked Co-Chair Frare whether he had talked to anyone at Labor. He confirmed that he had not.

Talia noted that there is a new representative from Labor replacing Mark Riker, Erin Frasier, who might be interested in joining the committee as her committee work.

Co-Chair Frare suggest they leave it as vacant. He would rather the recommendation not be a Labor person. The committee's work is about public contracting. Labor has a voice. But if the committee is trying to improve Design-Build (DB), General Contractor/Construction Management (GCCM), and Job Order Contracting (JOC), Labor is at the tail end of the process. CPARB should be able to pick someone such as architect, Bruce Hayashi who is more integral to development of contracts rather than someone from Labor only interested in small portion of contract.

Olivia agreed 100 percent noting that Labor is foundational to all contracts, but they are talking about the Revised Code of Washington (RCW) 39.10 contracts. CPARB has taken on some issues relating to Design-Bid-Build (DBB), and should involve all stakeholders: contractors, owners, architects, engineers, and specialties because they represent a third or half of the contract budget value. She had mentioned this meeting to Bruce Hayashi and thinks he might have assumed the meeting started at 3:30 and should be joining soon. They could nominate him initially, and she could talk to him and ask for confirmation prior to the CPARB meeting.

Co-Chair Frare would like to leave it vacant, wide open for CPARB to identify their recommendation. He is also comfortable putting Bruce's name in as a recommendation.

Irene agreed with recommending Bruce as she feels they need more architect input. She doesn't understand how Labor input is significant for this group.

Co-Chair Frare switched the discussion to planning and startup. At a prior meeting the committee discussed a variety of topics. He shared a list of topics the committee initially suggested for scoping the strategic plan. The topics included:

1. Owner readiness;
2. Defining CPARB's value add for public works;
 - a. Taking stock of accomplishments;
3. Reauthorization and how to streamline it;
 - a. What should the Board Development Committee's role be?
 - b. Setting the number of years for reauthorization;
 - c. Reading the JLARC studies to see what they said in 2019 and 2012;
4. Determining who is the 'public works cop';
5. Creating a feedback loop for lessons learned;
6. Reimagining the PRC;
 - a. What is the role of the PRC?
7. Conducting an outcome-oriented review of the strategic plan;
 - a. Defining measurable goals ;
 - b. Describing interim steps;
 - c. Creating actionable outcomes;
 - d. Building in capacity (bringing in individuals to participate);
8. Discussing ethical considerations for membership;
9. Standardizing decision-making in committees and on the board, and for recommendations included in legislative reports;
10. Maintaining and measuring accountability and transparency.

Capital Projects Advisory Review Board
Board Development Committee

Meeting Notes 12/03/2024

Page 3 of 5

Co-Chair Frare would like to include discussion on CPARB's role in diverse business inclusion and the type of goals they are setting. He'd also like to invite Art McCluskey at WSDOT to participate but not as a voting member.

Olivia mentioned that the Project Feedback Process Workgroup's work on Owner Readiness and Accountability which might inform how they think about the PRC, and how they can make it more efficient and more meaningful.

Talia mentioned that CPARB's Education Connection Committee has been working on an Owner Readiness webinar, hosted by MRSC, for December. MRSC will make it available on their Resource page and she will make sure the link is included on the CPARB and PRC homepages. The webinar has not yet been announced at CPARB.

Jessica noted that the webinar is on December 11th, so there is only one more CPARB meeting to announce the webinar.

Co-Chair Frare asked how MRSC became the lead for the webinar on Owner Readiness for alternative public works.

Olivia said that MRSC is the mechanism, not the content. MRSC had a quota of trainings to provide and the MRSC representative, Josh Klika, is part of CPARB's Education Connection Committee was approved to offer hosting the webinar. With committee approval, Josh Klika and Aleanna Kondelis volunteered to work on the webinar. The advice of the Project Feedback Process Workgroup is that any new owner contemplating using alternative delivery should reach out to other owners and ask them how their GC/CM or DB project is going. The webinar panel will consist of several large, small and new owners. This is the first attempt at this type of training, and it can be tweaked with more curriculum to be added in possible future.

Jessica added that she is one of the panelists in the webinar training and hopes to tell owners that alternative delivery is not a panacea and it is more work for the owner.

Santosh Kuruvilla agreed with Olivia. He also made note that MRSC is the largest clearinghouse in the state with a lot of data. As long as they can provide data on owner readiness, it's valuable to CPARB.

Olivia stated that CPARB was created in 2007 to monitor RCW 39.10 alternative procurement. Since CPARB has been asked to take on some issues that include Design-Bid-Build (DBB) as well, she would like to see the committee continue to allow themselves that flexibility. When things come up that are pertinent to the construction industry, but may not fall under 39.10, she feels there is value in talking about those issues.

Mike Pellitteri agreed with Olivia. When he participated in the last reauthorization effort, there were issues brought up to a room of participants with no contracting authority, so they had to wait to get answers before moving past those issues. If they have stakeholders involved that know contracting it makes sense to extend that out to RCW 39.04.

Jessica agrees with Olivia to keep the DBB part of it. The list of topics to pursue is a long one. Early on the committee should determine the priority or relative weight of the issue—in other words, which problem and how big the problem is—because the committee is not going to be able to get all of that done. Figuring out how to prioritize to address the priority issues and getting out the message is important.

Olivia observed that many hands make light work. The core topic of the strategic plan should be how CPARB brings value to public contracting. That is like motherhood and apple pie. They need to ask whether there is someone else willing to work on prioritization.

Co-Chair Frare said that they need to define the mission, vision, and goals and to determine the three main items that CPARB should be doing.

Bruce added that CPARB should be about the betterment of public contracting as the primary goal. Approving outcomes in the use of public money and contracting community to better them should be the goal.

Santosh shared he has observed progressive owners with large projects who are actively engaged in alternative delivery and capital projects. He has seen a greater trend in engagement in industry forums or open

Capital Projects Advisory Review Board
Board Development Committee

Meeting Notes 12/03/2024

Page 4 of 5

houses—all the PMs show up and discuss topics. Like WSDOT does when it brings in all the players, having everyone in a room talking together is different from getting information secondhand or from PRC. It's one of the building blocks of what they're doing, and it should be one of the CPARB tenets moving forward.

Olivia returned to the theme of working for the betterment of contracting. If they drill down, they could also find the sweet spot between public owners that also get nonstate nonpublic dollars but get criticized by private developers as slow, stupid, and expensive. If the owners don't proceed slowly, they lose the civic responsibilities embedded in public works contracting, like small business equity or workers' rights. In the search for public procurement, CPARB needs to find the thread between opposing interests to help find a balance that works for all.

Co-Chair Frare noted that the core of value of CPARB is the ability to have deep conversations and not leave out any of the representatives in the industry. Having representation helps avoid the unanticipated consequences of a single special interest pushing an agenda forward—whether that has to do with RCW 39.10 or RCW 39.04.

Lekha Fernandes shared her perspective on one thing that the CPARB does and does well is to help legislators when they are creating policy and law surrounding public works projects. The consensus-building that CPARB does is a really good thing that should continue.

Co-Chair Frare agreed that helping members of the legislature make good laws is important.

Jessica added that CPARB brings the people who actually have the knowledge related to the laws.

Irene stated she would really like to see legislators consult CPARB before they write the legislation, and not rely on CPARB feedback after the fact. She is on the transition team for the governor-elect so she will advocate for early CPARB involvement in drafting legislation.

Lekha observed that they can try. Some legislators are more amenable to CPARB input and there are others that do not seek CPARB input. It's kind of up to the personality of the legislator.

Irene said she thinks Senators Valdez and Hasegawa would be receptive, but she would like to talk to a representative as well.

Lekha noted that Representative Tharinger might be receptive. She said that legislators are drafting bills now that will go to the next session, so pre-engagement would be helpful. She has been asked to give technical assistance but doesn't think that CPARB has been asked for technical assistance on anything other than the revision of the prompt pay bill.

Irene said that now is the perfect time to come to CPARB with a bill that is being drafted and ask for them to convene a committee to help.

Lekha said that the issue of accountability in public works and contracting is important. She doesn't know whether it's in the top three priorities. Accountability is built in through the PRC, but there are other projects where accountability seems limited. It's hard to understand how much CPARB can dig in, but the issue feels wishy washy and unsettled.

Co-Chair Frare said that the PRC was set up as a bookend for accountability on issues such as whether the project is ready to go, do they have the right people, and are they requesting the delivery method for the right reasons. It comes down to whether the project was successful, and the goals were met after the fact. Even though it's not possible to put two identical projects side by side and see which one was most successful, there should be a bookend at other end that reviews whether schedule and budget needs were met, the quality of the work was good, and the number of change orders, for example. Some sort of performance metrics that verify success are needed. Something to show that alternative public works is a best value for the state or a public agency.

Lekha added that the best practices they have are built around projects that are successful, but the success measures or markers have not been identified. If CPARB explored the full spectrum of what makes up project success, that would be good.

Capital Projects Advisory Review Board
Board Development Committee

Meeting Notes 12/03/2024

Page 5 of 5

Co-Chair Frare said he has had budget conversations with people in both the house and senate on why a GC/CM project has a contingency number and a DBB project does not. They perceive the contingency as an extra cost and want to know why the GC/CM requires them to pay more for this different contracting methodology.

Lekha added that, while this issue may not be in the top three, it would be a smart thing if CPARB could bring clarity to that issue.

Irene said she has always advocated for measurements of accountability. Establishing metrics and criteria is the first step. She doesn't think CPARB has done that yet. In addition, she feels there should be a discussion on the repercussions--a writeup or suspension--when the criteria are not met and the owners are not accountable. There should be consequences if an owner doesn't follow the rules.

Jessica agreed that Olivia's topic was a good one. She's heard Olivia's voice in her head saying "there are no public works police" so CPARB has to solve the issues. Larger agencies have their own feedback loop for betterment, such as agency certification. Smaller cities do projects every one to five years and don't get or have that type of self-policing accountability loop because they don't do projects often enough. And small cities need the accountability loop more. CPARB members hear about them. All contracts have a clause for termination for default. It is a repercussion, but no one wants that. There is the 10-year reauthorization process but waiting 10 years to argue about something that could be fixed along the way doesn't make sense. There is a disconnect between the self-created feedback loop for certified agencies and the other entities that just do one-off projects. It would be interesting to talk about this further.

Co-Chair Frare noted that the agenda for the next meeting is to keep talking about the strategic plan mission, vision, and goals.

Talia requested that the group decide on a schedule for meetings.

Olivia suggested 4 to 5 p.m. on the first Tuesday of the month because it's good for small businesses.

Jessica Murphy moved to adjourn the meeting; Lekha Fernandes seconded the motion. The motion was passed unanimously.

Next meeting agenda

- January 7, 2025, 4:00 – 5:00 p.m.
- Agenda
- Minutes – December 3, 2024
- Strategic Planning Startup & Structure
 - Mission
 - Vision
 - Scope of Strategic Planning Effort
- Next agenda

Action items

1. Co-Chair Bill Frare will continue efforts in bringing a facilitator on board.
2. Co-Chair Bill Frare will call Art McCluskey at WSDOT and invite him to participate but not as a voting member.
3. Irene Reyes will try to reach Senators Valdez and Hasegawa as well as a representative to get support for having CPARB assist in drafting relevant legislation.

Meeting adjourned at 3:59 p.m.