

**WSDOT/ACEC-WA Executive Liaison Committee**  
**Friday, October 6, 2023 – 8:00 to 10:00 am**  
**Meeting Minutes**

Mark Gaines kicked off the meeting by mentioning his appreciation for the many consultants who have been helping WSDOT in meeting delivery needs. Mark also mentioned that Leann George has offered to manage and lead future meeting agenda topics and she will have her staff take meeting minutes. This will allow both Mark and Linea to participate more in the agenda conversations.

1.) Mike Gribner, Marshall Elizer, and Van Collins discussed a Budget/Staffing and Legislative Update:

- Van noted that it's early to discuss the next legislative agenda but suggests:
  - ACEC and WSDOT should be on the same page as ACEC can be helpful with the legislative agenda including such things as industry capacity, escalation concerns, etc.
  - WSDOT must send clear, direct, and predictable market signals to consulting engineering firms that there is work available and that it is worth pursuing. Such signals are sent by addressing issues such as the choice of procurement methods, the likelihood of success by firms in winning WSDOT work, etc.
- Mike Gribner mentioned the following:
  - WSDOT is looking at how to organize contracts to get industry appetite back and are just starting to work through that. He noted that price escalation is a challenge.
  - He just completed a bridge tour with a group of legislators and noted there is more legislative interest in maintenance and preservation needs being addressed. WSDOT's message has been consistent regarding needs and requests for full funding.
  - Underfunded preservation needs also complicate and limit what can be done for implementing Complete Streets and developing safety considerations.
  - There are no preservation projects scheduled to be constructed in the second half of the year based on current funding. He understands this is hard and impacts the industry.
  - The pursuit and delivery of available grants are a challenge due to staffing.
  - WSDOT's program needs legislative action and predicts this issue will be taken up during this next session.
- Marshall Elizer mentioned the Senate Transportation Committee Meeting on Monday 10/9/23, from 1 to 3. Discussions include traffic safety and project cost increases.

## 2.) The Sub-Committee Chairs provided Subcommittee Updates:

- Business Administration – Erik Johnson – Their committee has been busy developing their 23/24 focus areas. They have narrowed their focus to 12 to 15 areas that are further bundled into common themes with guest attendance planned. One area they have started work on is looking at how small businesses are on-boarded, safe harbor rates, and impacts of enforceable goals.
- Design-Build – Art McClusky – Their sub-committee will continue to look at contract templates and training modules. Their September discussion included WSDOT's survey results regarding industry interest in WSDOT projects. The survey focus was on understanding what prevents D/B firms from submitting for D/B projects. WSDOT identified areas that might be an issue to the industry and asked for feedback on whether these areas were not a problem to an issue. There were 97 respondents. They are also reviewing feedback from the Gateway program survey. Specific opportunities will be identified for future action. Art mentioned the Fish Passage Committee is trying to schedule an initial meeting for next week.
- Project Delivery – Rafael Reyes was introduced as the new WSDOT Sub-Committee co-chair lead. Some recent retirements mean that their membership will be changing. They are revisiting the team charter to get the group on the same page regarding attendance and participation. Their next meeting will be in the November timeframe. This Sub-committee workplan includes reviewing the Active Transportation Design Guide for input and feedback. They are also focused on the Complete Streets Guidelines as these have evolved and will continue to do so. The new design parameter (design criteria requirements) sheets are delayed until a new ASDE is on board. Other reviews include the Interchange Plan Approval process and Lessons Learned. The 2023 Design Manual review process is now complete, and they are approved to publish.
- Structures & Geotechnical – Evan Grimm – Their sub-committee is having good discussion on future work plan items. Progressive D/B is one of their new topics. One of the consultant firms on the team has done PDB work in SE USA and will share lessons learned from that project. Evan also provided an update on work efforts regarding consulting preservation design work and engineering risk. WSDOT would like to offload more preservation work to consultants but recognizes that there is an engineering risk when you can't meet all design parameters when maintaining or preserving an existing structure. One of the suggestions being proposed to work through decisions and challenges is for WSDOT to bundle like preservation projects. Then assign a WSDOT bridge engineer to work closely with the consultant EOR to work through decisions and expectations regarding the design. The first couple of assigned projects may go slower but the remaining projects should go quickly. Amy Leland (WSDOT) is considering the ideas and taking them back to her technical committee for consideration.

- 3.) Kyle McKeon provided the Local Programs update: He expressed his appreciation for consultants working with local agencies to deliver the program. The federal fiscal year just closed with \$540M in authorized expenditures thanks to consultant support. The next call for open projects includes City/County Safety \$35 M, Bridge \$147M, and NHS pavement \$150M. Kyle also mentioned that the Active Transportation Design Guidelines are only used to evaluate grant requests as it deviates from some of the Design Manual requirement.
- 4.) Mark Gaines provided an update regarding 2024 delivery challenges. To meet fish passage program needs, WSDOT has a large number of bundled D/B projects over the next 16 months. NW Region, Olympic Region, and Mega Programs are all working on a lot of regional D/B projects. A coordinated statewide delivery plan is assembled to paint a picture of all the work ahead. Mark shared a graphic representation of planned heavy civil capital delivery in Puget Sound including data from Sound Transit, WSDOT, and the City of Seattle. WSDOT's financial delivery curve is equal to Sound Transits 2022 values and is very large. Mark then shared a spreadsheet detailing planned D/B delivery from mid-2023 through the end of 2024. The schedule details RFQ/RFP/ EVAL/Construction timelines. The list of projects includes Fish Passage projects as well as larger transportation projects that include fish passage. Many of the project completion dates are 2028/2029 to meet the fish passage lawsuit requirement of 2030. There is not much float in this schedule. The projects and timelines are WSDOT's best guess for delivery, but some projects are still being evaluated. For example, the dollar value for the SR 18 Issaquah-Hobart Road to I-90 project is large, and this may be split into two projects. Several comments and concerns were raised regarding the spreadsheet:
- Delivery of Fish Passage D/B is going to be very difficult, especially not knowing which contractors will still have capacity.
  - There was a question of how smaller firms get into the D/B program as the technical requirements have some specific requirements. WSDOT is looking at opening some requirements, though they are in the early stages of identifying where to change requirements to get the most results.
  - The risk profile is high on large projects and project costs are coming in higher than anticipated. It was suggested that the cost pressure on the entire program needs to be addressed as there is not enough budget to cover all the projects that are expected. WSDOT is also working on assessing whether the dollars for the fish passage program are still realistic. Legislative engagement will be required for budget solutions.
  - Van mentioned that he is hearing capacity, cost escalation, and conflict of interest issues are all issues with Sound Transit as well. An appreciation of risk, where it's coming from, and how it's being evaluated on both AGC and ACEC is important.

- 5.) Mark Gaines and Linea Laird discussed the need to update the ACEC/WSDOT Charter as there have been many changes in Exec Committee and Sub-Committee members. The group was requested to get updates in by next Friday. Mark and Van agreed to remove the signatures page from the Charter for ease of completion. A note will be added that the Charter will be updated at the first meeting of the year. Van has an action item to update the ACEC website based on the current Charter and ACEC needs to fill vacant Executive Committee positions.
- 6.) Mark Gaines led the discussion of the need for a survey of small business consultants to include such topics as safe harbor rates etc. The group reviewed a forwarded document that revised the list of survey questions based on a recent Business Administration workshop. There is a concern that indirect cost rate questions were removed. While D/B projects can negotiate rates outside of the Safe Harbor process, other design projects cannot. ACEC advocated that Indirect cost information questions are still relevant to the overall program. Progressive D/B projects may also be subject to Safe Harbor indirect rates depending on how the different phases of work are implemented. Erik J. mentioned that WSDOT's Small Business Program has a lot of program flexibility that is not widely known, which may be a limiting factor with some firms deciding to work on WSDOT projects. A focus on education and communication about the program is needed. He also mentioned that several states have raised the 10% safe harbor indirect rate so that is a possible consideration as well. ACEC and WSDOT still want to know what it would take to encourage additional capacity to come online, especially with the size of the program. A question was raised as to whether we can use higher rates on state-funded projects. The Business Admin. sub-committee needs more time to evaluate information and questions. It was also suggested that Steve McKerney be engaged in the discussion as well as additional consultant input. A special meeting will be set up to discuss issues and next steps.
- 7.) Van Collins provided a brief update on feedback from the annual meeting. Comments for the meeting were mostly positive with a recommendation to have more consultant presentations for a more balanced approach.
- 8.) Van Collin, Mike Gribner, and Mark Gains discussed responses and action items provided in the Agenda Item 7 attachment regarding action items to improve capacity and working relationships between WSDOT and the consulting community. This document and action items were generated from letters exchanged between Mike Gribner and Van Collins. Mark mentioned that the new OCOI guidance is showing some challenges and conflicting some firms out. The next joint WSDOT/AGC/ACEC discussion may result in changes to previous risk-based decisions.
- 9.) Mark Gaines and Linea Laird discussed the next ELC Meetings and action items

- Upcoming Scheduled ELC Meetings:
  - Friday, Dec. 8 – 8-10 am – (Hybrid – Location TBD)
  
- Action Items:
  - Linea to determine if the WSP Federal Way office is available for the December 8<sup>th</sup> Meeting.
  - Review the latest Charter for any personnel changes by Friday the 13<sup>th</sup>, revise the agenda notes to reflect WSDOT's (Leann and teams) role in running the agenda and minutes, remove the signature page from the document, add a note that the charter will be reviewed for corrections annually at the first meeting of the year.
  - ACEC-WA to work on filling open Executive membership positions.
  - Van to update the ACEC website based on the latest Charter membership.
  - WSDOT and The Business Subcommittee will continue to work on items noted in the Agenda Items 6 & 7 documents.
  - Mark Gaines and Art McClusky will send out the presentation slides used in today's meeting – done.
  - Remember to watch STC meeting Monday the 9<sup>th</sup> at 1:00 pm on TVW

10.) The meeting was adjourned at Adjourned at 10:00 am.