

WSDOT/ACEC-WA Executive Liaison Committee
Wednesday, January 29, 2025 – 9:30 am to 11:30 am
Virtual: MS Teams
Meeting Minutes

Introductions

Present Attendees:

Mark Gaines
Kerri Woehler
Todd Trepanier
Robin Mayhew
Evan Grimm
Jay Drye
Rafael Reyes
Steve Roark
Art McCluskey

Leann George
Lisbeth Panush
Jeff Carpenter
Van Collins
Jilma Jimenez
Richard Patterson
Joan Zhong-Brisbois
Ron Paananen
Jennifer Saugen

Agenda Overview

Leann George provided an overview of the agenda and asked if there were any additions or questions. Mark Gaines requested to add updates from Todd Trepanier, Kerri Woehler, and Jay Drye to the agenda which was supported by the committee

WSDOT Leadership Updates

Todd Trepanier/Kerri Woehler

- Todd Trepanier provided an overview of recent transportation funding challenges at both state and federal levels.
 - At the state level, Governor Inslee’s proposed transportation budget, released in December, faced a significant shortfall—around \$1 billion—due to declining gas tax revenues.
 - As a result:
 - Only projects under contract will be funded,
 - A modest preservation program can proceed,
 - Select safety projects (I-2 category) can proceed,
 - Many capacity and economic development projects (I-1 and I-3 categories) are on hold.
 - Legislators are evaluating solutions, with some open to new revenue sources while others remain opposed.
 - At the federal level, potential funding redirections could lead to further budget cuts. Multiple states, including Washington, are pursuing legal action to prevent the redirection of grant funds. WSDOT is closely monitoring these developments.
 - To manage these uncertainties:
 - WSDOT is prioritizing preservation and fish passage projects,
 - I-1, I-2, and I-3 projects completing their design phase will not have confirmed start dates until after the legislative session ends in May,
 - Special contract provisions will ensure these projects proceed only if funding is secured.

- Kerri Woehler highlighted the many funding scenarios being discussed. WSDOT is providing the best available information despite uncertainties. The only certainty is that the governor's budget was released in December, with a final legislative budget expected in the spring.
- Jay Drye from Local Programs echoed concerns about funding uncertainties. WSDOT remains focused on project delivery and is working with federal partners to keep federally funded projects in the approval queue for when funding becomes available.
- A discussion followed on the delayed Ship Canal Bridge deck repair. Public interest has been high, questioning why a \$15 million repair cannot proceed. Trepanier explained the delay is due to constraints in the preservation account, which cannot be overspent. Logistical challenges, including maintaining traffic flow and aligning with Seattle's economic recovery efforts, further complicate the timeline. Despite repeated communications on necessary traffic disruptions, public pushback continues.
- Van Collins emphasized the importance of clear public messaging on funding and logistical constraints to maintain trust in WSDOT's decision-making.
- Jeff Carpenter asked about legislative efforts to address the shortfall. Todd Trepanier reiterated that some legislators are considering new revenue sources, while others oppose them. With no clear consensus, WSDOT continues working with state and federal partners to secure necessary funding for critical projects.

Subcommittee Policies

Jeff Carpenter and Van Collins led a discussion on subcommittee policies to ensure alignment on membership rotation, commitment expectations, and transitions.

- Membership Rotation & Term Limits:
 - Membership terms should balance continuity with fresh perspectives.
 - ACEC supports a structured yet flexible rotation to allow new voices while maintaining institutional knowledge.
 - The appointment is to the individual, not the firm, ensuring consistency if members move within ACEC firms.
- Commitment Expectations:
 - Active participation is required, beyond attendance, to contribute meaningfully to discussions and initiatives.
 - Members represent industry interests, not just their firms.
- Transition Planning:
 - Subcommittees should track member tenure to support transparent rotations.
 - A structured onboarding process, including transitional meetings for incoming members, will ensure knowledge transfer.
- Diversity Considerations:
 - Representation should include varied firm sizes and expertise.
 - Selection criteria prioritize relevant experience, engagement, and contributions to subcommittee goals.
- ACEC will refine its appointment process to align with rotation goals.

Subcommittee Updates

Business Administration – Ron Paananen (Consultant)

- Ron Paananen provided an update on the Business Administration Subcommittee:
 - He noted the committee has evolved naturally, with new members joining without major effort. Erik Jonson and Schatzie Harvey have helped bring in additional WSDOT participants, ensuring steady rotation. Santos remains a long-standing member, providing valuable institutional knowledge.
 - The subcommittee continues to address recurring topics while considering new issues. One current focus is the potential for allowing markup on subcontractor costs, prompted by Sound Transit's recent decision to permit a 3% markup on some contracts. Schatzie is researching practices in other Western states to inform discussions. Given budget constraints, this topic requires careful evaluation.
 - Other ongoing topics include rate approvals and contract language, with no immediate changes planned.
 - The subcommittee is also encouraging greater ACEC member participation by soliciting input on key issues. Active engagement remains a priority.

Design/Build – Art McClusky

- Art provided an update on the Design-Build Subcommittee's priorities for 2025:
 - Surveys conducted in 2024 identified key industry concerns, which will inform this year's discussions. One ongoing survey focuses on fish passage warranty costs to help guide the Fish Passage Strategy Team.
 - Legislative updates will continue to be shared, building on last year's work related to proviso language in the supplemental budget.
 - The subcommittee's first meeting of 2025 is scheduled for February 19, where geotechnical risk in design-build projects will be a key topic.
 - Other discussion areas include:
 - fuel cost adjustments
 - lane closure restrictions
 - and improving understanding of roles and responsibilities in partnering efforts.
 - A review of the OCOI Manual is planned, along with a check-in on recently updated templates. Additionally, efforts are underway to amend administrative code to enact the Design-Builder Performance Report, with implementation targeted for late 2025.
 - The subcommittee replaced its December meeting with the inaugural Design-Build Forum, a discussion-based event that generated valuable insights. These ideas will help shape future focus areas. The 2025 meeting schedule is set, with topics to be refined throughout the year.
- Van Collins shared an update from Washington, D.C., noting that the Office of Management and Budget (OMB) has withdrawn a memo proposing a pause in federal grants and funding, effectively halting that effort for now.

Project Delivery – Rafael Reyes

- Rafael provided an update on the Project Delivery Subcommittee:

- Noting that its membership has remained stable while maintaining representation from both Eastern and Western Washington. With Jen Saugen stepping in as co-chair, the group is evaluating its effectiveness and exploring ways to increase engagement beyond attendance.
- Key ongoing initiatives include finalizing the Plan for Approval process, which aims to establish a standardized approach benefiting both WSDOT and ACEC members. While the process is complex, progress is being made with contributions from both within and outside the subcommittee.
- Another focus area is the Clear Zone Inventory, where questions have arisen regarding its application in design-build projects. The subcommittee will assess whether updates to the Design Manual or other process improvements are needed.
- Looking ahead, the subcommittee aims to encourage greater member-driven participation, shifting the co-chairs into facilitative roles rather than leading all discussions. To aid this effort, they are considering incorporating surveys—like the Design-Build Subcommittee’s approach—to identify emerging topics for discussion.
- Van Collins added that alternating responsibility for setting the agenda has proven effective and could enhance engagement across subcommittees.

Structures & Geotechnical - Evan Grimm and Joan Zhong-Brisbois

- Evan reported a productive year for the Structures and Geotechnical Subcommittee
 - Which covered:
 - project highlights
 - policy concerns
 - design and construction challenges
 - technology
 - and staff development.
- A key initiative was a two-part discussion series on design-build and progressive design-build, led by ACEC member Brice Exley, featuring private sector experts and WSDOT staff.
 - Topics included:
 - subject matter leadership
 - early communication
 - emotional intelligence
 - risk allocation
 - and the Alternative Technical Concepts (ATC) process, fostering valuable knowledge-sharing.
- Joan introduced structured topic assignments, ensuring well-prepared discussions. She also highlighted a virtual site visit led by Julie Heilman from hydraulics, demonstrating digital site capture’s potential for project coordination and future digital delivery.
- The subcommittee will continue exploring these initiatives to enhance project delivery.

Local Programs - Jay Drye

- Jay reported on:

- County Safety Call which is currently in progress, focusing on rural areas with federal and state funds. State dollars are being used efficiently for smaller projects under the Rural Roadway Departure Program.
 - The Railroad Safety Program: Section 130 project selections are being finalized and will be announced soon.
 - Funding & Agreement Deadlines: Agencies must closely monitor funding end dates and consultant agreement deadlines to ensure eligibility for reimbursement. In the past week alone, nearly \$1M in billings were outside agreement dates, often making them ineligible for reimbursement.
- Federal Fiscal Year & Funding Uncertainty:
 - The federal fiscal year runs October 1 – September 30, with local agencies working to meet their assigned funding obligation targets to qualify for redistributed funds.
 - Due to a continuing resolution at the federal level, specific funding targets may not be known until March, creating delivery challenges later in the year.
 - Last year, Local Programs obligated \$635M in federal funding for local partners, with \$200M in the final month—a level of last-minute processing that is unsustainable. Agencies are strongly encouraged to deliver projects earlier to avoid bottlenecks.
- Jay emphasized the importance of proactive project management to keep projects on track and avoid delays.

Possible Issues for Subcommittees

Jeff Carpenter and Van Collins led a discussion regarding potential topics for subcommittee consideration, emphasizing that this list is not exhaustive but a starting point for discussion. The intent is to identify areas where subcommittees may want to focus their efforts, recognizing the balance of time and priorities.

- Topics suggested including:
 - Consultant Rates & Rate Structures: Reviewing how consultant rates are determined, identifying best practices from other agencies, and considering possible improvements.
 - DBE & State Goals: Examining firm onboarding processes and discussing potential updates to state and federal diversity and inclusion goals.
 - Contract Boilerplates & Prompt Pay: Evaluating contract language, particularly regarding liability limits and prompt payment requirements, considering potential legislative changes.
 - Contract Services Manual: Assessing the need for updates or modifications to current contract management practices.
 - Lump Sum Billing & Alternative Pricing Models: Exploring the feasibility of expanding lump sum payments and other value-based pricing structures in applicable situations. Discussion included concerns regarding compliance with the Brooks Act and ensuring scope clarity to prevent cost-cutting risks.
 - Technology & AI Impacts: Reviewing how emerging technology and AI advancements may influence project delivery, billing models, and workforce needs.

- Small Firm Participation & Market Trends: Considering challenges related to small firm participation, including the impact of acquisitions and firm consolidation on diversity and competition.

Committee members were encouraged to provide feedback on the relevance and prioritization of these topics and to suggest any additional areas for exploration.

Technology Discussion

Jeff Carpenter and Van Collins led a discussion centered on the rapid advancement of technology and its implications for project implementation at WSDOT. Jeff Carpenter highlighted that technology is evolving faster than traditional processes, creating a need to carefully integrate new tools without overwhelming project engineers or adopting solutions the state is not yet prepared to support.

- Key topics included 3D design and Building Information Modeling (BIM), which remain critical in project planning and execution.

Evan Grimm emphasized ongoing internal efforts to explore these technologies, including engagement with national research and industry partners. He noted that successful implementation requires:

- Broad commitment
- Executive support
- And financial investment

There is an opportunity to leverage private sector expertise through organizations such as ACEC and AGC to help communicate the value of these advancements.

Van Collins introduced an upcoming preliminary meeting with Evan Grimm to further explore these topics, engage with member firms, and determine the next steps. The meeting will serve as an initial brainstorming session to develop strategies for technology adoption and industry collaboration. ACEC members were invited to recommend participants for future discussions.

Legislative Update

Van Collins highlighted:

- The uncertainty in the legislative landscape due to the new governor, a long session, and budget constraints.
- Key funding debates, including Senator King's proposal to redirect sales tax from automobile sales to transportation, which could impact the operating budget.
- The Prompt Pay Bill, which mandates payment within 30 days with penalties for delays, though its applicability to professional services remains unclear.
- Additionally, a bill proposing prevailing wage increases during contracts, which could raise project costs.
- He noted that the new governor's leadership style may influence negotiations, with budget developments remaining the primary focus.

Annual Meeting Agenda Topics

A smaller planning group will be assembled, as done previously, to begin coordination for the Annual Meeting. The group aims to establish a plan within the next few weeks.

Upcoming Meetings

- March 6th from 2-4 pm / Virtual Only Meeting
- May 14th from 2-4 pm / Virtual Only Meeting

Action Items:

- Leann will coordinate WSDOT's ACEC Partnership Website with each subcommittee. Requesting names of subcommittee members, date they joined, and the length of their current appointment.
- Leann will follow up regarding the meeting before the Annual Meeting.
- Van will confirm and share the date of the annual meeting.