

**ALTERNATIVE
PROCESS FOR UW
MEDICAL FACILITY
CONSTRUCTION
PROJECTS:
SUNSET REVIEW**



**PROPOSED
SCOPE AND OBJECTIVES**

APRIL 2016

STATE OF WASHINGTON
JOINT LEGISLATIVE AUDIT AND
REVIEW COMMITTEE

STUDY TEAM

Steven Meyeroff
Stephanie Hoffman

PROJECT SUPERVISOR

John Woolley

LEGISLATIVE AUDITOR

Keenan Konopaski

Joint Legislative Audit &
Review Committee
1300 Quince St SE
Olympia, WA 98504-0910
(360) 786-5171
(360) 786-5180 Fax

Website:

www.jlarc.leg.wa.gov
e-mail: JLARC@leg.wa.gov

Why a JLARC Sunset Review of UW's Alternative Process for Medical Facility Construction?

The University of Washington (UW) is authorized to use an alternative process for awarding contracts to construct, remodel, or improve facilities used for critical patient care or highly specialized medical research. This process can be used for projects estimated to cost \$5 million or less.

Unlike the standard contracting process which allows any contractor to bid on construction projects, the alternative process allows the UW to limit solicitations to a roster of pre-qualified contractors with demonstrated experience working in these specialized environments.

JLARC staff completed a previous Sunset Review in 2014. In that review the Legislative Auditor recommended the Legislature extend the contracting authority, and issued recommendations to the UW intended to improve the timeliness of projects and the tracking of women and minority-owned subcontractors.

Following the JLARC report, the Legislature extended the sunset date. The University's authority to use this process now "sunset" in June 2017 unless the Legislature reauthorizes the program. As directed in the Sunset Act (Chapter 43.131. RCW), in the year prior to the sunset date, JLARC staff review the extent to which the program has complied with legislative intent and met its performance targets.

Sunset Reviews

Statute specifies the types of questions to address in a sunset review. For this review, questions addressed will include:

1. To what extent has the UW's use of the alternative process complied with legislative intent?
2. To what extent does the alternative process provide for efficient and economical public works construction, with adequate cost controls in place?
3. To what extent have projects constructed using the alternative process achieved expected performance goals and targets, including the use of women and minority owned contractors?
4. To what extent does the alternative process duplicate the activities of another agency or the private sector?

In addition to the sunset questions, the sunset review will also analyze the extent the University has implemented the recommendations of JLARC's 2014 sunset review:

1. The UW should identify opportunities to reduce the time to select contractors for Harborview projects;
2. The UW should track use of women-and minority-owned subcontractors on projects using the alternative process to determine whether it is meeting its internal goal; and
3. The UW should review the other contracting steps that follow contractor selection to identify opportunities to reduce the time to begin constructing Harborview projects.

As directed by the Sunset Act, the review will include a recommendation of whether to terminate, modify, or continue without modification the UW’s alternative process for awarding contracts.

Timeframe for the Study

Staff will present the preliminary report in September 2016 and a proposed final report in December 2016.

JLARC Staff Contact for the Study

Steven Meyeroff (360) 786-5176 steven.meyeroff@leg.wa.gov

Stephanie Hoffman (360) 786-5297 stephanie.hoffman@leg.wa.gov

