

**GCCM Committee**

Meeting Summary September 28, 2022 (Meeting #33)

1. **Scott Middleton (Specialty Contractors), in for Chair Nick Datz called the Teams meeting to order at 1:04 p.m. A quorum was established.**
2. **Administrative**
  - a. Introductions
    - i. Committee members in attendance: Santosh Kuruvilla (Engineers), Shannon Gustine (General Contractors), Sam Miller (Architects), Scott Middleton (Specialty Contractors), Traci Rogstad (K-12 Schools), Janice Zahn (Ports), Louise Sweeney, in for Alexis Blue (Higher Ed), Ian Hernandez, in for Mark Nakagawara (Cities), Penny Koal (DES)
    - ii. Stakeholders in attendance: Mike Rice, in for Santosh Kuruvilla (Engineers) for the second hour, Angela Peterson, in for Janice Zahn (Ports) for the first hour
  - b. The committee approved the June 29 meeting summary after making the corrections below.
    - i. June 30, 2021 should be listed as June 30, 2022.
    - ii. References to the next meeting are also in 2021, should be updated to 2022.
    - iii. Meeting called to order and ended at 1:10 – change the time for called to order to 1:00.[CM1]
3. **Review the final manual**
  - a. Review first draft of the GCCM Manual
    - i. [Specialty Contractors] asked if members had gotten a chance to look through the draft circulated this morning. Most had, so he proceeded to introduce a high-level overview of the document, noting that wordsmithing can be accomplished at any time in the OneDrive document. He reminded members that most finished chapters have been vetted by the committee already, with a few exceptions for chapters that still have some edits underway. There are two chapters remaining to be drafted and two others that need to be finalized and merged with the final document.
    - ii. [Architects] asked what the plan was for the two chapters that remain to be drafted.
    - iii. [Specialty Contractors] shared that Chair Datz is working on finalizing the chapter on Heavy Civil. [Specialty Contractors] shared his chapter on .385 is also underway, and the hope is for both chapters to be ready for discussion by the next GCCM committee meeting. The chapters left to be written are Procurement (headed by Penny Koal) and Total Contracts (headed by John Palewicz), so Scott and Chair Datz will check in with those folks to get the ball rolling.
    - iv. [Specialty Contractors] pulled up manual on the screen, starting with the first chapter, and explained that non-substantive comments need not be addressed in today's meeting. Acknowledging the need for consistency in how the public body/public owner is referred to, he put this question to the group, noting his recollection from some public owners that *public owner* is preferable to *public body*. Public body is what is used in RCW 39.10.
    - v. Architects: *Owner* is just an easier term to use. I have a similar comment for *design team*—I know we use a few different definitions for design team as well. This may be something we could talk about in a Definitions section and explain that *public owner* refers to the same thing as *public body* in the statute. We can have a variety of folks acting as the lead designer for a project, so my preference is to use *design team* to avoid implying it's one person, as with *lead designer*.
    - vi. K-12 Schools: I agree with that.

- vii. General Contractors: I agree as well—I think using *public owner* is ok too. Using the same language as in the statute is not a requirement.
- viii. Specialty Contractors: Maybe let's put in a footnote at the beginning to explain that either is used for the same meaning.
- ix. Architects: I started using the term *construction team* in my chapter. We refer to the GCCM a lot, but for things like preconstruction, especially with early trades, it becomes more of a team. There are obviously direct references to GCCM as appropriate, but when it comes to the activities in preconstruction, it may make more sense to use a more all-encompassing term.
- x. General Contractors: I agree, but I would caution the group to think carefully about what contractual aspects the GCCM is obligated to do when we are drawing a line between GCCM and the broader team.
- xi. Specialty Contractors: These are great notes. In the first section we are comparing GCCM to other types of delivery. Regarding [Architect's] comment on including design-build in the comparisons, do we feel good about including design-build as well as the traditional design-bid-build?
- xii. Architects: Yes, that's what I was getting at. It's a popular delivery method these days, so it seems like an important thing to call out.
- xiii. Specialty Contractors: Great, we'll also look to our design team to pull out some salient points about design-build comparison. Another thing we've been talking about is where graphics need to go—Chair Datz has a few places flagged in this document, and I encourage others to continue thinking about that and flagging areas that need graphics.
- xiv. Specialty Contractors: Are we okay with the statutory language included here (page 5) and the language below on how public bodies are encouraged but not mandated to bring GC/construction managers on early in projects?
- xv. K-12 Schools: I get concerned about this—I would use stronger language, as it's certainly a topic that comes up at the GRC. It's usually one of the justifications for using GCCM. I agree it's not mandated but it seems we should use stronger language.
- xvi. Higher Ed: I agree, it's kind of the whole point of GCCM to get them onboard as early as possible.
- xvii. K-12 Schools: Maybe we could say it is the intent of GCCM.
- xviii. Specialty Contractors: We could also take out "while it's not mandated" and just say "highly encouraged."
- xix. General Contractors: "While not mandated by all public entities, the best practice is to...."
- xx. Architects: That paragraph references schematic design. Is it appropriate for us to reference schematic design, or for other project types, is it better done by percent complete or some other means? That might be a question for Chair Datz.
- xxi. Specialty Contractors: I know to maximize the benefit of the bringing the team on before DD is complete, but I know there are exceptions to that.
- xxii. Architects: Sure, I'm more concerned about the terminology itself in the definition.
- xxiii. Higher Ed: Maybe we could add a note on using "30% complete." We're trying to do away with SD, DD terminology as well.
- xxiv. K-12 Schools: What's the reasoning for doing away with SD, DD terminology? For K-12 that's what we use; we don't use percent complete at all.
- xxv. Higher Ed: For WSU, it's a continuous process, so we have a hard time finding a hard stopping point between chapters in a project. Like [Architects]

- was saying, we're about 30%. If we ask for 100% design development, we don't ever get 100%.
- xxvi. K-12 Schools: Maybe we can keep both terms and leave SD in there, because for a general rule of thumb, we bring on GCCM about mid-way through SD, when we have to give a presentation to our school board. Bringing in a percentage would cause headaches. I'm used to using percentage in state industry but haven't heard it at all in K-12. I'm fine with schematic design or SD being in parenthesis but want to make sure it's left in there.
  - xxvii. Architects: Maybe we have both in there.
  - xxviii. Architects: In our Design-Build Best Practices manual we have a really helpful format that might be good to replicate in this document, where you can see bookmarks along the side of the document.
  - xxix. Specialty Contractors: Agreed, that sounds helpful.
  - xxx. Architects: I think this section "what you can expect in preconstruction" is really well written, but there's a fair bit of duplication in the Preconstruction chapter. Not everything here is covered there, so we may want to think about some type of merge. This chapter is on evaluating the use of GCCM, so I'm not sure it's the best fit for an in-depth view of what to expect in preconstruction. Maybe we just summarize in this section and move the details back to the Preconstruction Services chapter.
  - xxxi. General Contractors: I think that makes perfect sense. I think we intended this as a sort of executive summary but agree some of this detail can flow back into the other chapters.
  - xxxii. Higher Ed: Should we refer back to that chapter in this section then? [All agreed.]
  - xxxiii. Architects: What I was thinking was the portion highlighted by my comment could be a starting point for removing detail, but I'd like to look at it in more detail.
  - xxxiv. General Contractors: I'll add that we can probably remove the bullets if they're covered in the Preconstruction chapter. I think the paragraphs left are probably fine.
  - xxxv. Architects: Here you can see another note of various references to the design team – i.e., architect/designer. For some horizontal projects you might not even have an architect, it may be engineer-led. That's why I like using *design team* since it can be applied more generally and makes it clear it's not just one person.
  - xxxvi. Architects: In the "Owner Readiness for GCCM" section we might want to piggyback on the design-build manual for how they refer to public owner.
  - xxxvii. Specialty Contractors: Agreed, in the introductory comment where we refer to design-build, I think we should hyperlink back to that manual as it's a good reference.
  - xxxviii. Architects: Agreed.
  - xxxix. General Contractor: I think in the section "project budget and contingencies," I had recommended adding renovations.
    - xl. Specialty Contractors: The statute uses "risk contingencies," and it's been updated to include budget contingencies. Do we want to be consistent with the statute?
    - xli. General Contractors: I think because we added contingencies that are not part of the statute, we don't want to be consistent with the statute in how we refer to contingencies in the best practices. I have a whole section on risk

- contingencies drafted that we can just pop in (this was pulled up on the screen).
- xlii. General Contractors: To [Architect]'s point, I see that I used the word *contractor*, which should be changed to *GCCM*. My intent of this section was to show that if you identify the definition of the risk contingency, that informs how the GCCM will propose their fee on the job, because it's identifying their risk on the job. In past conversations, we'd talked about it not being used for owner changes or design development.
  - xlili. Ports: I like this too—perhaps we should add a note for this to be defined further in contract cost, then refer there for more information.
  - xliv. General Contractors: Under *Quality* in the context of this document, the wording makes it sound like GCCM caused issues, and I don't think that's what we're going for. Here's an alternative wording to use this paragraph as an opportunity statement: *"On Alternative Delivery Projects, cost, schedule and quality management pose the greatest challenge to most Public Agency Owners. Generally speaking, in the project execution (design and construction) process there always seems to be greater emphasis placed on project cost and schedule and less on project quality. Project Quality can often become an abstract notion and takes different meanings for Designers, Builders and Owners; therefore, making the concept of Quality - planning, execution, monitoring, and acceptance more challenging. So, most GCCM projects simply require a documented overall Project Quality Program/Plan accepted by all parties to address the Owner's desire for Quality. Overall, the GCCM process allows for a focus in this area throughout the preconstruction process. The following best practices will significantly enhance any GCCM Project's Quality objective:..."*
  - xlvi. Architects: I like that too.
  - xlvii. Engineers: Quickly, before I need to jump off, I'd suggest we stay open on the placement of Chapter 5. After that chapter comes Preconstruction Services, so that might be an opportunity to move Chapter 5 further down the list. That way it can be a chapter that collects all the cost-related information from previous chapters. I also think there are opportunities for us to hyperlink, so we can trim down the document and not repeat ourselves.
  - xlviii. General Contractors: I agree, once we get all the chapters done, it will be self-evident where Chapter 5 fits best.
  - xlix. Louise and Santosh left, and Penny joined at 2:00 pm.
  - l. Specialty Contractors: Welcome, earlier we had discussed the Procurement chapter and what our plan is for that chapter moving forward.
    - li. DES: Yes, confirming we have a long way to go on the Procurement chapter.
    - lii. Specialty Contractors: Sounds good, Chair Datz and I will circle back with you and John Palewicz on the remaining chapters.
    - lii. Architects: Have we addressed the strategy of shared savings?
    - liii. General Contractors: I don't think so; that's a great catch. I'd put that in the GCC and Procurement sections.
    - liv. Architects: Representing Architects, I'd advocate not having shared savings, but others might feel differently. What we've found is in GCCM projects with a significant shared savings component, we're overly conservative in early pricing with the hope of increased savings down the road, in a way that's detrimental to the project. We've had a couple instances where it's backfired for the owner.
    - lv. General Contractors: What it sounds like you're referring to is shared savings off the overall MACC. Perhaps as a best practice, we could say shared

- savings as part of the risk contingency is a good idea, because that just incentivizes the GCCM to do a good job in Preconstruction.
- lvi. Architects: Agreed, and that wouldn't incentivize inflating line items.
  - lvii. Ports: On that point, are we going to touch on estimating? We've learned the value of trying to get us all on the same page early in the project, with apples-to-apples estimates. Is that something we'd like to mention?
  - lviii. General Contractors: Are you talking about when you do a reconciliation with a third-party estimator in preconstruction?
  - lix. Ports: Yes.
  - lx. General Contractors: [Architects], that would be easy to put in a few sentences in the Preconstruction chapter to set expectations on format early on.
  - lxi. Ports: Would it be helpful also to touch on closing out preconstruction services?
  - lxii. General Contractors: Is that to stop billing for preconstruction services?
  - lxiii. Ports: Yes, to make sure you're not double billing as you close out preconstruction services.
  - lxiv. Specialty Contractors: I have occasionally seen in RFPs that preconstruction services are to be treated as an allowance for *x amount* of money.
  - lxv. General Contractors: I think it's done a few different ways—as lump sum, allowance, or cost reimbursable. The port used to not include the development of the MACC. It's probably a worthy thing to have a best practice for.
  - lxvi. Specialty Contractors: [Architects], are you ok to add that to Preconstruction Services?
  - lxvii. Architects: Yes, I've added a comment further down, under design team.
  - lxviii. Specialty Contractors: Just to make sure I've captured the idea on including best practices on shared savings, what chapter would this be best addressed in?
  - lxix. General Contractors: I think it should be in the GCCM Procurement and in Total Contract.
  - lxx. Architects: Agreed. I think we're saying to only have shared savings in risk contingency and not elsewhere. Are we recommending shared savings in the risk contingency as a best practice?
  - lxxi. General Contractors: You could get a better price with that approach, so it depends on the public entity. If it says to write down your fee, and you're submitting, betting on yourself doing a good job and putting down a low number means you get to collect some savings at the end of the job.
  - lxxii. K-12 Schools: This shared savings thing is new to me in K-12. Is it in the statute?
  - lxxiii. Architects: I'm not sure. It must be allowed because we've encountered it.
  - lxxiv. General Contractors: I think it's one of those things that isn't prohibited and can thus be contracted around.
  - lxxv. DES: It's not disallowed.
  - lxxvi. Specialty Contractors: I think we'll take a stab in the Total Contract section and see if we can settle on a best practice to incorporate in Procurement.
  - lxxvii. Architects: Is my added language on page 14 okay? [All agreed.]
  - lxxviii. Janice joined at 2:10 pm.
  - lxxix. Ports: We recently had some concerns about what frequency of schedule changes might be appropriate in preconstruction as we think about the full project scope. There's a paragraph in the Preconstruction section that

- alludes to that, but should there be something that specifically talks about how frequently schedules get updated?
- lxxx. Architects: At the end of the Preconstruction Services section there is a section on schedule, but I don't think it speaks to frequency of schedule changes, so maybe we can add that there.
  - lxxxi. Ports: Part of this is to put something in the best practices, so we can better describe some frequency that makes sense from the standpoint of good use of preconstruction dollars.
  - lxxxii. Architects: Do you have a recommendation on frequency?
  - lxxxiii. Ports: I'd like to put this out to the group.
  - lxxxiv. General Contractors: It sounds like some people are doing it too much?
  - lxxxv. Ports: Right now, the perception is we're not doing it frequently enough, if we're only at the 60-90% phase. But I also want to be cognizant that just because we can, doesn't always mean we should.
  - lxxxvi. General Contractors: I'd say it depends on the job. Heavily phased jobs with a lot of interface points may need more changes, but relatively simple jobs may not need them—this would be less of a good use of funds.
  - lxxxvii. Ports: Maybe we have a section that talks about schedule change considerations and how to think about them.
  - lxxxviii. Architects: I agree. The best practice could be to work with the GCCM to determine the appropriate cycle for updating the schedule, based on the complexity of the project.
  - lxxxix. DES: And we'd note to set that process up early.
    - xc. Architects: It can also be for portions of the schedule—there may be certain aspects of that schedule that would be more critical to update on a frequent basis.
    - xcii. Ports: Where and when are we talking about early work or mini-MACCs?
    - xciii. Specialty Contractors: Mini-MACC does come up here in a second, and I want to follow up with Keith who drafted this section to get more context.
    - xciv. Ports: Agreed, more context is needed here.
    - xcv. General Contractors: It looks like this section is still in outline. I've got some airplane time coming up, and I think I understand the intent of what's in here and could turn this into a narrative. Let me know if that group is interested in help.
    - xcvi. Specialty Contractors: Thanks, I'll touch base with Keith.
    - xcvii. Ports: I know a lot of folks want to go to *trade partners* and get away from *subcontracting*, and we struggle a little bit with what used to be EC, MC. Maybe we put in the proposed terminology section a way to refer to specialty subcontractors, etc., so that we can be consistent. Did we reach an agreement—are we going with *specialty contractor* for EC, MC?
    - xcviii. Specialty Contractors: As somebody representing mechanical, I think of the specialty as electrical and mechanical. That might not fit in other contexts. I don't know if we ever came to an agreement on how we want to use the list we came up with of statute updates in .385. I think in the statute, it came out to a more generic *contractors* or *alternative subcontractors*. We could look to the statute for guidance there.
    - xcix. Ports: Maybe we clarify in the Definitions section that contractors can be trade partners.
      - c. Architects: The Design-Build manual may also give us a clue for how to refer to those.

- ci. Specialty Contractors: Yes, let's not reinvent the wheel if we don't need to.
  - cii. Ports: It occurred to me that the Procurement group might put a second set of eyes on this as well, regarding missing protest and who to contact for a protest, that the owner should be contacted—those kinds of things.
  - ciii. Specialty Contractors: Agreed. This may fall into the category of non-substantive edits, but here I thought we might want to call out these three example scenarios for what to do when exceeding the published estimate a little more clearly. We'd tweak the negotiations with the lowest bidder, so the user has guidance on what to do if one of those scenarios pops up. We did make some changes in the preauthorization bill around this bill.
- b. Identify gaps in manual
- i. Specialty Contractors: As I said earlier, Chair Datz is cleaning up the committee-approved draft Chapter 10. And that brings us to the end. How does everyone feel about the document as it stands?
  - ii. Architects: I think there's a lot of work still, unfortunately—a lot of wordsmithing and turning outline into narrative.
  - iii. Specialty Contractors: I don't want to depart from Chair Datz's plan in terms of timing, but our next meeting is October 26. I think at a minimum, we can take the changes we got today and make updates to what we have. I'm committed to having the .385 chapter finalized and into this document, and I'll see where Chair Datz is at with Heavy Civil. Those are two that are close to being done. Then Chair Datz will circle back with the team leaders on GCCM Procurement and Total Project Cost. At our next meeting, we'll discuss .385 and maybe Heavy Civil.
  - iv. Architects: Is there a deadline to get this to CPARB? [Ports], were you talking about getting it to CPARB before the end of the year?
  - v. Ports: I was just trying to express a need for closure sooner rather than later. We want to have this resource finished so we can update our training materials. Last I heard was end of year was not very likely.
  - vi. Architects: I agree with that, given that it's late September and we still have substantive work left to do.
  - vii. Specialty Contractors: Take this with a grain of salt as I'm standing in for Chair Datz, but I think he mentioned thinking in terms of 6 months. I think we kind of had to go in reverse by coming up with statutory recommendations to inform the reauthorization bill, then best practices for this manual. Some of the other initiatives within CPARB are also a priority to get in front of the legislation by 2023, so I know everyone is busy with multiple things right now.
  - viii. Ports: I agree, this has been a tremendous amount of work. Thank you.
4. **Action Items and Next Steps:**
- i. Chair Datz and Scott Middleton will reach out to Penny Koal and John Palewicz on their respective chapters.
  - ii. Chair Datz and Scott Middleton will reach out to Keith Mitchell to see if their group can use any help finishing the draft from the chapter outline.
  - iii. Committee members are encouraged to go into the OneDrive document and make edits as needed.
5. **Meeting adjourned at 2:33 p.m.**