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SENATE COMMITTEE ON BUSINESS, LAW, AND GOVERNMENT

February 24, 1997 Hearing Room A

1:00 p.m. Tapes 66 - 69

MEMBERS PRESENT:

Sen. Neil Bryant, Chair

Sen. Randy Miller, Vice-Chair

Sen. Kate Brown

Sen. Gene Derfler

Sen. Randy Leonard

Sen. David Nelson

STAFF PRESENT:

Jan Nordlund, Administrator

Donna Arens, Administrative Support

MEASURES HEARD: SB 356 - Public Hearing and Work Session

SB 139 - Work Session

Possible Introduction of committee bills

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

Tape/#	Speaker	Comments
TAPE 66, A		
005	Chair Bryant	Opens meeting at 1: 10
<u>SB 139 - WORK SESSION</u>		
016	Suzanne Townsend	Department of Justice, explains proposed -1 amendments on SB 139 (EXHIBIT A)
061	Chair Bryant	Comments on wording preference for SB 139
071	Townsend	Remarks on HB 2321
077	Chair Bryant	Comments regarding DAS reviewing smaller contracts
083	Townsend	Remarks that DAS does not review for legalities
087	Chair Bryant	Comments about DAS requesting six new positions for reviewing contracts
094	Cam Birnie	Department of Administrative Services (DAS), comments on full time employees that could be hired at DAS (EXHIBIT B)
101	Chair Bryant	Remarks that this bill will have to be sent to Joint Ways and Means Committee
121	Birnie	Discusses section 11 of SB 139
131	Chair Bryant	Comments that Associated General Contractors (AGC) is no longer opposing section 11
143	David Douthwaite	Government Relations Manager, AGC, submits -2 amendments (EXHIBIT C)
158	Chair Bryant	MOTION: Moves to AMEND -1 amendments to SB 139 by deleting on line 3 "law of this state" and replacing it with "chapter of Oregon Revised Statutes."
161		VOTE: 5-1 AYE: 5 - Bryant, Derfler, Brown, Miller, Nelson NAY: 1 - Leonard
163	Chair Bryant	The motion Carries.
164	Chair Bryant	MOTION: Moves to Amend -2 amendments to SB 139 by deleting section 7.
	Chair Bryant	Hearing no objection, declares the motion CARRIED.
		MOTION: Moves SB 139 to the floor with a DO PASS AS

	Sen. Derfler	AMENDED recommendation and BE REFERRED to the Joint Committee on Ways and Means.
		VOTE: 5-1 AYE: 5 - Bryant, Brown, Derfler, Miller, Nelson NAY: 1 - Leonard
	Chair Bryant	The motion Carries. SEN. DERFLER will lead discussion on the floor.
<u>SB 356 - PUBLIC HEARING</u>		
184	Chair Bryant	Opens public hearing on SB 356
204	Jack Kalinoski	Introduces other witness, discusses negotiated public works contracts, gives testimony (EXHIBIT D)
254	Kalinoski	Continues testimony
304	Kalinoski	Continues testimony
354	Kalinoski	Continues testimony
<u>TAPE 67,A</u>		
017	Kalinoski	Refers to Washington State law and its relevance to this bill
023	Sen. Leonard	Comments
037	Tom Dean	Blumenstein-Dean Construction, Inc., gives testimony (EXHIBIT E)
070	Chair Bryant	Comments on funding for schools
094	Gerry Williams	Doctoral student, Portland State University, has looked at bid and non-bid projects in state of Oregon, testifies on data that he has collected 1988-1996
133	Chair Bryant	Questions which public agencies have been using non-bid process
137	Williams	Lists agencies (Port of Portland, OHSU, State of Oregon , school districts)
155	Tom Gerding	Ramsey Gerding Construction Company, discusses his company's growth through public works (competitive bid) and volume of private works
210	Roger Peterson	President, Marion Construction, gives testimony
260	Jim Hirte	President, Colamette Construction, gives testimony (EXHIBIT F)
303	Hirte	Continues testimony
333	Chair Bryant	Questions Hirte regarding bidding

342	Hirte	Responds
369	David Douthwaite	Associated General Contractors (AGC), gives testimony (EXHIBITS G,H, I)
TAPE 66,B		
001	Douthwaite	Continues testimony
043	Larry Eisenberg	Association of Oregon Counties, Washington County, gives testimony (EXHIBIT J)
079	Lisa Strader	Department of Corrections, Facilities Director, discusses Construction Manager/General Contractor (CM/GC) work being competitively sub-bid, justification for not taking lowest bidder
139	Strader	Continues testimony
178	Chair Bryant	Explains what was referenced in SB 390
194	Chair Bryant	Questions who was contractor for Wash. Co. project
206	Eisenberg	Replies that it was Hoffman Construction
250	Eisenberg	Continues testimony
274	David Brenneman	Drake Construction Company, gives testimony against SB 356
324	Brenneman	Continues testimony
362	Cam Birnie	Department of Administrative Services (DAS), gives testimony
TAPE 67,B		
025	Chair Bryant	Comments on contract review boards
028	Birnie	Responds to Chair Bryant's comments
040	Sen. Leonard	Question about requirements
050	Birnie	Responds
083	Sen. Leonard	Question regarding forms
106	Birnie	Responds
130	Bart Eberwein	Hoffman Construction Company of Oregon, gives testimony (EXHIBIT K)
180	Eberwein	Continues testimony
240	Eberwein	Continues testimony, states need for greater emphasis on education
265	Eberwein	States that CM/CG works best when determined that it will be used from start
278	Sen. Leonard	Has question regarding bids
333	Eberwein	Discusses the Portland Building
TAPE 68,A		
003	Sen. Leonard	Question about requirement in statutes
007	Eberwein	States that request for proposal will address savings, competition
034	Eberwein	Discusses fair public process concerning favoritism

090	Ken Weber	Port of Portland, gives testimony (EXHIBIT L)
140	Weber	Continues testimony
157	Frank Vandeventer	Baugh Construction, gives testimony against SB 356 (EXHIBIT M,N) reads letter that was given to Port of Portland
207	Vandeventer	Continues testimony
262	Jeanette Bailor	Lane Transit District, agrees with previous testimony in opposition to SB 356
302	Doug Tindall	Oregon Department of Transportation, gives testimony (EXHIBIT O)
359	Steve Telfler	Associated Builders and Contractors, testifies against SB 356
TAPE 69,A		
004	Jeff Gibbs	Lease Crutcher Lewis, gives testimony (EXHIBIT P)
054	Gibbs	Continues testimony
071	Carlton Chayer	City of Portland, agrees with most of testimony that has been given in opposition to SB 356
112	Bill Foster	Department of Administrative Services (DAS), testifies against SB 356
138	Chair Bryant	Closes public hearing on SB 356
<u>SB 39 - WORK SESSION</u>		
142	Chair Bryant	Opens work session to reconsider SB 139
143	Chair Bryant	MOTION: Moves to AMEND SB 139-1 amendments on line 3 by deleting "other law of this state" and inserting "provisions of law other than this chapter."
	Chair Bryant	Hearing no objection, declares the motion CARRIED.
	Sen. Brown	MOTION: Moves to AMEND SB 139 page 6, line 13, by deleting "However" and inserting "After July 1, 1998."
	Chair Bryant	Hearing no objection, declares the motion CARRIED.
145	Sen. Brown	MOTION: Moves SB 139 to the floor with a DO PASS AS AMENDED recommendation and be referred to the Joint Committee on Ways and Means.
	Chair Bryant	VOTE: 5-1 AYE: 5 - Bryant, Brown, Derfler, Miller, Nelson NAY: 1 - Leonard The motion CARRIES SEN. BRYANT will lead discussion on the floor.
206	Chair Bryant	Adjourns meeting at 3:15.

Submitted By, Reviewed By,

Donna Arens, Jan Nordlund,

Administrative Support Administrator

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EXHIBIT SUMMARY

A - SB 139, Proposed amendments, Suzanne Townsend, Department of Justice, 1 p.

B - SB 139, Fiscal impact statement form, Cam Birnie, Department of Administrative Services, 3 p.

C - SB 356, Written testimony, Cam Birnie, Department of Administrative Services, 2 p.

D - SB 356, Written testimony, Jack Kalinoski, 9 p.

E - SB 356, Written testimony, Blumenstein-Dean Construction, Inc., 9 p.

F - SB 356, Written testimony, Jim Hurte, Colamette Construction, 4 p.

G - SB 356, Written testimony, David Douthwaite, Associated General Contractors, 3 p.

H - SB 356, Written testimony, Public Contracting Coalition, 1 p.

I - SB 356, Written testimony, Public Contracting Coalition, 19 p.

J - SB 356, Written testimony, Larry Eisenberg, 4 p.

K - SB 356, Written testimony, Bart Eberwein, Hoffman Construction, 3 p.

L - SB 356, Written testimony, Ken Weber, Port of Portland, 3 p.

M - SB 356, Written testimony, Baugh Construction, 4 p.

N - SB 356, Request For Proposal, Portland Community College, 7 p.

O- SB 356, Written testimony, Doug Tindall, Oregon Department of Transportation, 2 p.

P - SB 356, Written testimony, Lease Crutcher Lewis, 1 p.

Q - SB 356, Written testimony, Bill Foster, 1 p.

R - SB 356, Submitted amendments, David Douthwaite, 1 p.
