



**BEX Oversight Committee Meeting
Cascadia Elementary School
1700 North 90th Street Seattle, WA 98103
Friday, October 20, 2017; 8:30 -10:30 am**

Minutes

Call to order (John Palewicz)

1. Chair John Palewicz called the meeting to order at 8:33 am.
2. Roll Call:
 - a. Committee Members Present: Steve Goldblatt, Duncan Griffin, John Palewicz, Ed Schwartz, Daniel Williams
 - b. Committee Members Absent: Freeman Fong, Richard Prentke, Robert Stephenson, Steve Tatge
 - c. Board Attendees Present: Rick Burke; Board attendee absent: Jill Geary
 - d. Staff Present: Richard Best, Eric Becker, Melissa Coan, Mike Kennedy, Lucy Morello, Mike Skutack, Flip Herndon, Becky Asencio; Mike McBee (arrived late)
Staff Absent: Sherri Kokx, Allen Mardock
 - e. Guests of the BEX Oversight Committee meeting introduced themselves.
3. Committee members accepted the proposed agenda.
4. The September 8, 2017 BEX Oversight minutes were unanimously approved.

Budget Update (Melissa Coan/Richard Best)

1. The *BEX IV Program Cost Summary –September 2017 (Activity through September 30, 2017)* was reviewed.
2. Richard Best highlighted current projects:
 - a. Lincoln High School project bid within budget. He stated that this was a proud accomplishment and was a significant effort given the current Seattle construction market.
 - b. Major projects, which will wrap up the BEX V program, include Queen Anne Elementary (bid 2018), Wing Luke Elementary (bid 2018), Bagley Elementary (bid early January 2019).
 - c. There are several "Other Facilities Projects", which will range in cost between \$500,000 to \$5 million that will be completed in the next three years.
 - d. Final acceptance by the Board of Directors is anticipated for Genesee Hill, Seattle World School and Arbor Heights projects in the next few months.
 - e. The district has been working with Seattle City Light concerning energy reduction and is the recipient of six solar grants for six schools for \$25,000. These grants will further enhance the positive cash flow toward of this project.
 - f. Mr. Best indicated he would work with staff to include the energy use index calculations for completed projects.
 - g. It was noted that the use of undercounter refrigerators, heaters and vending machines adds considerable cost to the operations of our schools. It is important to have the teachers and students' needs met, but the funds do come out of the general fund and the district is facing years of budget cuts ahead.

Project Status Reports/Board Item Reviews (Richard Best)

1. Project pictures, renderings and data are available on the BEX IV website: [BEX reports and program information](#).
2. The Spring 2017 edition of Learning by Design magazine noted Arbor Heights Elementary School was a recipient of the 2017 Grand Prize by the periodical Learning by Design. Copies of the periodical were distributed to committee members.
3. Activation & Occupancy of projects opening Fall 2017 were discussed.
 - a. Mr. Best explained that the project close out happens a year after the project completion to allow time to review and adjust. Communication with administration begins six months before the school opening and continues for a year afterwards. After school opening Senior Project Managers/Project Manager meet with the building principals to address their and staff concerns.
 - b. Senior Project Manager Eric Becker stated that projects transition to a work order phase. When an issue comes up the district tracks it through the SchoolDude Work Program in the Facilities Department. This formalizes the process allowing SPS to track issues until resolved.

Debrief July Presentation Construction Costs/Project Escalation (all)

1. A follow-up discussion regarding July's construction cost panel took place. Comments are summarized below:
 - a. Hurricane impacts of 2017 will cause added cost of materials.
 - b. The district does not have a choice when it comes to delivering on the promises to the voters, promises made must be kept.
 - c. It is not necessarily possible to guess accurately on what will happen regarding escalation. Seattle builders are off from cost estimate lists compared to other geographical regions because of the Seattle cost climate.
 - d. SPS is concerned about voter fatigue in the city as the City of Seattle is proposing several tax measures for voter consideration November 2018.
 - e. Construction costs escalation is hard to be predict when projects are five years out from construction.
 - f. Current status of BEX V planning is to begin community meeting February– March time frame with the hope the project list will be finalized for communication Fall 2018; placed before the voters in February 2019 (historically it has been February); with collections calendar years 2020-2025.
 - g. Garfield High School capacity is one of the district's major concerns, left alone, by 2021 they would have 2400 students.
 - h. One recommendation by a committee member is to give it the best shot at estimates and allow for a greater project contingency.
 - i. Build more flexibility into the school design so when needed, there can be a future expedited addition.
 - j. Mr. Best mentioned that the SPS elementary schools currently have flexibility in their design to create additional capacity.
 - k. Mr. Best summarized Oversight Committee recommendations as: include project escalation within the project budget, identify a separate cost center for program contingency and set aside funds for capacity flexibility.
 - l. The possibility of combining schools with other structures was discussed, e.g., in California a college and public library built the facility together. The college portion faced the college, the public side faced the street and they shared in the construction costs. In San Diego, they had a similar combination with the first two floors acting as the library and the top two floors served as the high school with a separate entrance. This can work well if the timing coincides.

- m. A member stated that it is better to have the contingency with a name on the bucket. If everything is in one bucket, it is harder to track and manage. Have different buckets: capacity flexibility and program contingency, moving money from one to the other if necessary.
- n. It was recommended that the cost escalation and other contributing financial factors should be written up in the newspaper to make the public aware of the Seattle cost climate's impact on the district's building projects.
- o. It was stated that it would be nice if the public saw the distinction in costs influenced by the layers added by the city of Seattle, i.e., landmarks, energy code, preschool requirements.
- p. How are big projects and small projects prioritized? BEX focuses on capacity and facilities condition assessment; BTA (buildings, technologies, and athletics) has been focused on the infrastructure needs, mechanical systems, roofs, chiller replacement. In general, BEX capital levy addresses larger projects, while BTA capital levy addresses smaller system replacements and repairs (i.e. roofs, mechanical and electrical equipment, etc.). BTA IV did include some large projects given capacity needs throughout the District.
- q. Director Burke discussed Career and Technical Education and the need to prepare students for careers. It would be good to find ways to have students work as interns/apprentices at jobsites. He stated he is aware it puts constraints on sub-contractors and wondered what the cons of the issue are. He requested this issue be addressed at a future BEX Oversight meeting. January was discussed as a potential date for this discussion, with the hope to bring in some guests to share their perspectives.

Adjournment (John Palewicz)

1. The meeting adjourned at 10:35 am.