

BEX/BTA Capital Programs Oversight Committee

March 8, 2019 8:30 – 10:30 a.m.

Conference Room 2750, John Stanford Center

2445 3rd Avenue South, Seattle, WA 98134

Minutes

Call to Order (John Palewicz)

1. John called the meeting to order at 8:30 am.
2. Guests introduced themselves.
3. Roll Call:
 - a. Committee Members Present: John Palewicz, Steve Goldblatt, Warren Johnson, Freeman Fong, Janet Donelson, Steve Tatge, Duncan Griffin, Sherry Edquid, Rob Stephenson, Kyle Wang
 - b. Committee Members Absent: Daniel Williams,
 - c. Board Attendees Present: Eden Mack
 - d. Board Attendees Absent: Jill Geary
 - e. Staff Present: Eric Becker, Melissa Coan, Mike Skutack, Richard Best, Fred Podesta, Becky Asencio,
4. Approval of Agenda – The agenda was adjusted to remove the Capital Levy Update and Water Quality Update, as both presenters were unable to attend the meeting. Steve Tatge made a motion to accept the revised agenda. Janet Donelson seconded the motion and it passed unanimously.
5. Approval of Minutes from February 8, 2019: Steve Goldblatt made a motion to accept the minutes, Freeman Fong seconded, and the minutes were accepted unanimously.

Budget Update (Melissa Coan/Richard Best)

1. Melissa Coan referred to BEX IV Program Cost Summary.
 - a. She reviewed the project expenditures for the major projects.
 - b. She reviewed the project expenditures for the other facilities projects.
 - c. The budget is in the black.
 - d. There are no variances to report.
2. Melissa Coan reviewed the BTA IV Program Cost Summary
 - a. The budget is in the black.
 - b. The Ingraham High School project received a budget increase of \$1.5M, which was approved by the Board and is now recorded on the budget transfer sheet.
 - c. She explained that the technology dollars are recorded under subtotal #6 on this report. She explained that the process, according to law, is that the charges first come from the district's General Fund and then offset by the Capital Fund at the end of the fiscal year.

Project Status Reports

1. Richard Best referred BEX IV Monthly Status Report, highlighting projects with notable delays or other changes to their status. He confirmed that he is working with the Senior Project Managers and Project Managers to review schedule impacts due to either operator strikes or inclement weather.
 - a. The Queen Anne site schedule was affected by weather but remains on target for the start of school.
 - b. Director Mack reported hearing that the work at the Queen Anne site is negatively affecting the neighbors, regarding use of the neighborhood and communication. Senior Project Manager Eric Becker explained that communication has been managed with placement of door knob flyers advising the neighborhood of upcoming construction activities and that work at the site does not begin until 7:00 am on weekdays. Steve Goldblatt reflected that Seattle Public Schools (SPS) is typically a “good neighbor” on its worksites and has a good communication outreach program as well. Richard Best acknowledged that specific types of work, such as vibratory rollers and geothermal wells, do tend to elicit additional comments from neighbors due to either the vibration or the sound of the work.
 - c. Richard Best reported weather delays at Ingraham High School and Queen Anne as both projects were in the process of beginning roof installation work, with less delay at either Magnolia Elementary School and Lincoln High School. He noted at those schools the roof activities are complete but that workers were not able to get to the jobsite.
 - d. Mr. Best clarified that Lincoln High School activation date is July 2, 2019.
 - e. Senior Project Manager Mike Skutack reported on the progress at Wing Luke. Phase One, consisting of civil and utility work, is complete. Phase Two was re-bid and awarded to Jody Miller. This phase is scheduled to start on April 18, 2019.
 - f. Eric Becker reported on the work at Daniel Bagley. The extended school year has delayed the start of work by one week. He also noted that the market is challenging when it comes to receiving bids.
 - g. Richard Best highlighted seismic improvement projects. Some of the projects are being bid now and of those, some will require a budget transfer. He noted that SPS is concerned surrounding the number of bidders for each project. SPS prefers to receive three or four bids per project but is currently receiving only one to two bidders per project. He confirmed that SPS is outreaching to bidders.
2. Richard Best referred the committee to the BTA IV Monthly Status Report and highlighted projects with recent milestones or challenges.
 - a. The EC Hughes project is in close-out.
 - b. The Magnolia project remains on budget, but he is watching the construction contingency closely. Currently, it remains on budget. He noted that the District is currently scheduled to participate in a mediation on April 15, 2019 regarding the installation of the roofing system at this site.
 - c. Eric Becker celebrated receiving the permit for the Webster project. Bidding for this work continues through April 2019. He reported that it is viewed as a difficult project

and that is impacting bid pricing. He further indicated that BNBuilders is having to repackage their bids so that they receive better pricing.

- d. Eric Becker conveyed that the Ingraham High School project was affected by both the strike and the weather, however he does not anticipate a significant delay.
- e. The Franklin High School project had to be rebid, as several of the low bidders did not include an electrical contractor on the subcontractor listing. The district rebid the project and Sheldrup Building Services Company is the apparent low bidder. Work is scheduled to begin during the District'
- f. Duncan Griffin asked if any of the field lights projects were solar-powered. Richard Best explained that the lights are not solar-powered, utilize LED lighting technology manufactured by Musco and require less power consumption than conventional field lighting of the past. He also noted that there is less light spillage at the property line.

SPS Drinking Water Status

Due to the absence of Richard Staudt, Risk Manager, this item was moved to the April agenda. Moved to next month's agenda.

BEX V Capital Levy Update (Tom Redman) cut from agenda – flat tire

Tom Redman, Capital Communications, arrived late to the meeting, but was prepared to report on the BEX V Capital Levies. He conveyed that despite negative press surrounding Proposition 1, the educational and operations levy passed with a very high percentage rate and that Proposition 2, the capital levy passed with an even higher percentage. He expressed gratitude to the BEX/BTA Oversight Committee, the Board Operations Committee, Schools First, the Capital Projects team, and Richard Best. He noted that Seattle Public Schools participated in 73 community meetings in which the levies were presented. Tremendous outreach and SPS had a social media communications plan as well.

BEX V Capital Levy Implementation Plan (Richard Best)

1. Richard Best provided the timeframe for drafting and confirming the BEX V Capital Levy Implementation Plan. Capital Projects staff are requesting and incorporating feedback from industry professionals for the next few months and hope to finalize the plan in August.
2. He reviewed the role of Board Directors with attention to approving contracts, OSPI D-forms, budget adjustments and final approval of projects,
3. Steve Tatge followed up to request that the level of delegated authority that Capital Projects staff have should be a future discussion topic for the committee. Committee Chair John Palewicz agreed.
4. Director Mack highlighted that, ultimately, the Board has authority, but the work is completed by staff. She inquired into how various types of documents are reviewed. Mr. Best explained that Education Specifications are presented to the BEX/BTA Oversight Committee and the Board Operations Committee during the design phase of a project. Value engineering studies are required by OSPI to be presented to the full board, as are numerous other documents including racial balance forms and constructability reports.

5. Mr. Best reviewed the considerations for determining the order of the major projects. He reminded the committee that the project ranking was decided using a racial equity lens. Following project ranking, the projects were ordered by cash flow, cost escalation, interim site availability (including building additional capacity at these sites). He impressed upon the committee the significance of community involvement and coordination with outside agencies, such as SDCI.
6. He reported the types of stakeholders and agencies with whom staff had consulted. For example, the Alki project was scheduled to allow Seattle Parks and Recreation to coordinate potential replacement of the Community center. Mr. Best confirmed for Warren Johnson that the district is in ongoing conversations with Seattle City Light regarding power, delivery of transformers, and related matters. The two organizations now enjoy a very positive, responsive relationship.
7. Mr. Best highlighted the phasing and contingencies for the Rainer Beach project. The school desires to remain on-site and the proposed phasing allows that to occur. One challenge facing the project are the presence of liquefaction soils throughout the site. Another challenge is that the School Board has asked about accelerating the project schedule, he does not anticipate having those answers prior to hiring a construction management and architect firm and potentially a general contractor for the project.
8. Steve Goldblatt asked if the Board approves the final implementation plan. Mr. Best explained that there is no policy requiring the Board to approve the plan however the Board is kept current with the progress of the work through ongoing updates and budget approvals.
9. Director Mack highlighted the need for a process for adjustments to the implementation plan. She contrasted it to the Facilities Master Plan, which is approved and updated every three years.
10. Kyle Wang questioned if SPS has a long-range planning committee. Director Mack expressed enthusiasm for such an entity. She explained that a group called "FACMAC" served that function in the past. She also noted the work of the Facilities Master Plan Taskforce, which was convened in the summer of 2018 to support master planning. She assured the committee that she was working on establishing a new advisory committee for long-range planning.
11. John Palewicz recommended that the School Board approve the Implementation Plan, in part to prevent the advancing of particular projects, out of sync with the authorized project ranking. Chief Operations Officer Fred Podesta added that this conversation must be coordinated with conversations about contracting. Mr. Best agreed and provided the examples of the Magnolia and Wing Luke projects, where the bid climate modified the implementation plan, and even delayed the opening of Magnolia to 2019-20.
12. Steve Tatge identified two issues: 1) long range planning 2) delegated authority of Capital Projects staff to execute the implementation plan. He suggested that staff might be more effective if granted more flexibility with contracts and action, Janet Donelson echoed this noting the issue of what size change warrants the Board's approval.
13. Warren Johnson inquired into the status of a downtown school. Mr. Best explained that it is still being considered for planning. Director Mack added that BEX IV includes planning dollars to explore this project.
14. Steve Goldblatt agreed that the Board ought to formally approve the implementation plan.

15. John Palewicz requested edits to the presentation's Project Procurement slide to specifically identify RCW 39.10 Alternate Public Works provides a way to employ alternate delivery methods. He expressed concern that the current slide indicates that staff have already made the decisions for each project and wanted the process to be articulated in the slide.
16. Duncan Griffin asked how staff signal the district's intentions to contractors, such as EUI. Mr. Best explained that the RFPs are still currently in development. He noted that the RFPs will specify that projects must meet the following criteria: the Ed Specs, embody the draft strategic plan and Policy 0030 regarding Racial Equity, address the schools, continuous improvement plan for each unique school, meet the goals of the Green Resolution, make a positive impression to the voting public, provide building envelopes that are easy to construct and maintain and provide appropriate mechanical systems that address staff/student comfort are easy to maintain and highly efficient. Rob Stephenson noted that the aspirational intent of the language Policy 0030 and questioned the implications for facilities. Mr. Best clarified that there are facility implications embedded in Policy 0030 and that his desire is to engage architectural firms that are willing to have those conversations with educational staff so that we can have a more positive impact on the educational outcomes for all of Seattle Public Schools students. Director Mack added that the scoring criteria for the project ranking employed a racial equity lens. Therefore, attention to Racial Equity is incorporated from the beginning but requires ongoing review and confirmation.
17. John Palewicz paused the presentation of the Implementation Plan at slide 24. Mr. Best will continue the presentation at the next meeting, starting with the draft cash flow.

Agency Certification GC/CM (Richard Best)

1. John Palewicz conveyed that many school Boards have adopted GC/CM agency certification. He inquired into the reason for not doing that at SPS. Richard Best explained that at least one Board Director indicated that she appreciates that each project needs to be presented to an external third-party to validate the procurement method the district desires to utilize. This discussion was tabled until the April meeting.

Meeting Re-Cap and Next Meetings Agenda Items (John Palewicz)

1. The next meeting will be on April 12, 2019
2. The agenda will include:
 - a. GC/CM Agency Certification
 - b. Delegation of Authority
 - c. BEX V Implementation
 - d. Portables Plan

Adjournment

The meeting adjourned at 10:30 am.