

Revised
Building Excellence II Levy Oversight Committee
Meeting Notes, November 13, 2003
Stanford Center, Room 3802, 7:30a - 9:30a

ATTENDANCE:

Members Present

David Hudd
Joey Ing
Ron Jelaco
Jay Keiper
Karin Nyrop
Ed Peters

District Staff

Gary Baldasari
Don Gillmore
Julie Krick
John Vacchiery

Heery International Staff

Charlie Demming
Steve Moore
Ralph Rohwer
Roxann Robinson
Mitch Romero

Members Absent

Jim Travis

APPROVAL OF SEPTEMBER 12, 2003 REVISED MEETING NOTES AND OCTOBER 9, 2003 MEETING NOTES

Revised meeting notes from September 12 and meeting notes from October 9 were approved.

IN-DEPTH REVIEW OF MADISON MIDDLE SCHOOL, Don Gillmore

Schematic design

(Recorder was not present for most of this presentation. Following are excerpts from the ed specs.)

- Five major categories were identified for exploration by the SDT: site linkage, a clear main entry, a centralized commons, zoning of spaces, and team concept.
- The Site Linkage goal was to enhance the sense of Madison as a campus, connecting buildings with the site and the community. Specific goals are to improve the physical and visual connection between buildings and field, to provide a covered link between main building and gym, to provide drop-off area and expand on-site parking, and to take advantage of western views.
- A Clear Main Entry was defined as making the school and its facilities welcoming to all users by creating a friendly, professional entrance, and by establishing a clear connection from the main entry to the administration area, commons, and library.
- Centralized Commons concept was established to create a special gathering place to foster student interaction and flexible use. A “grand” central, multipurpose space will serve as a lunchroom, performance space, and assembly space. It will also provide varied interior student gathering opportunities. It will open directly to exterior space.
- Zoning of Spaces will promote long-term flexibility and safety with thoughtful layout of spaces. The goals are to create a safe, secure environment; establish clear wayfinding within the school by using appropriate layout and signage; make a shared community/student zone to include as primary spaces: gym, commons, library, administration, and wellness center and as secondary spaces: electives, music, and team clusters. Space zoning will also provide night access for the community to the gym, commons, and library. An educational zone of team clusters, and electives will be established. The library will be located close to teams.

- Team Concept will facilitate learning by integration of disciplines in small communities. This will create autonomous space for each team. Each team cluster will include general learning areas, specialized learning areas, team flex space, teacher prep/office/storage, and toilet rooms. The team concept will create flexible learning environments within each team.

Other items

- The open area under the gym will be heated with portable heaters.
- One-hundred-eighty (180) wells will be dug in the field to supply water for heating and cooling. The system runs on heat pumps.
- There are automatic shutoffs on light sensors.
- The CHPS (Collaborative for High Performance Schools) rating is being rewritten for Washington State. The current rate is based on California criteria.

Madison bid results, Steve Moore

- Bids were opened October 14, from Garco, Lydig, Swinerton, and Wick. The target bid was \$22M. Garco was low at \$21.6M. After all the alternates were picked up Garco was at \$22.2M.
- The mechanical and electrical subs are good and have worked for the District. The masonry bid contains an error, but Garco is honoring the bid. Garco does its own concrete and steel work.
- Garco has not worked for Seattle Schools, but has worked in the Tacoma and Spokane districts. Heery has worked with them.

Summary of current budget - \$26.4M total construction

- Phase 1 – \$1.8M was right on target.
- There is a 9.5% contingency. This is a good cushion.
- The architects are required to design to 95% of the budget and 5% alternates.

Committee comments and questions

- Does the District pre-qualify?

No, the District is not allowed to do this. The District has to accept the low bid. A contractor has to be non-responsive to the bid or we have to be aware of past fraud or another serious issue to disqualify them. There are probably not more than a dozen contractors that bid our projects.

- The first sheet of the handout shows a different spread than the second sheet.

State match requires that we split out modernization from new construction. We have to show the state numbers. The billings have to match the state numbers. A lot of the subs don't split their numbers so the general contractors split as best they can.

The state has different ratios for different types of work. Based on state criteria, all of our construction is modernization. To qualify for new construction there would have to be capacity added by the project.

State match returns a small percentage of the District's overall program budget but the amount is still significant. An average return is 8% – 9% of a project's total cost. The calculation is based on the tax base of the district. Some of the smaller districts get up to 90% in matching funds.

State match is a very complex and somewhat cumbersome process. If the state process is not followed exactly, matching funds can be jeopardized. Board approval is required at the correct times in the process.

- Off-site costs

The off-site amount per project can vary and is often used up by sidewalks or water lines. At Madison there are minimal off-site costs. Nathan Hale has \$1M in off-site costs for a \$6M project because of right-of-way improvements.

There are monthly meetings with City departments and the District that include negotiations about what is the City's responsibility and what is the District's. We now take photographs before construction.

- Timing of City decisions can be costly. Sometimes agencies request changes after work is completed.

- Permitting process

Traffic signals, parking, and other issues come up in the permitting process. Permitting issues are resolved by the time the MUP is issued.

- Why is carpet an alternate?

Alternates are not essential to an instructional program, except carpet. Carpet is the most important alternate.

The carpet we buy is high quality and expensive. It was decided that by bidding it as an alternate a better price would result. The two carpet suppliers compete with each other. The only other way is to buy the carpet separately but that doesn't work either.

The carpet cost is the same but contractors use the carpet cost differently.

The District always uses additive alternates. Negative numbers on the bid form are corrections from the contractor. The District prioritizes the alternates but that prioritization is not reflected in the way the alternates are listed.

The lowest responsive base bid plus selected alternates wins the bid award. All the alternates usually aren't taken.

- Why a 2:00p bid deadline and 3:00p bid opening?

By giving an hour to correct bids, the contractors have a chance to prepare a more accurate bid. They work with the subs in the hour between 2:00p and 3:00p. The state bid law now requires that mechanical and electrical subs be put on the bid form. The hour gives the contractor the opportunity to focus on the details of the bid rather than the bid numbers. The contractors like this opportunity to polish the bid.

Contractors can change the base bid during this period but the bids haven't been opened so they are still adjusting "blind". The base bid is only known to the bidder. No one sees the complete bid numbers until 3:00p when the bids are publicly opened.

This is a standard practice with school districts. The legislature changes subcontractor requirements almost every session. Almost every bid protest has to do with subcontractor listings because of the many changes in the law. By allowing this hour to polish bids it gives the contractor an opportunity to finalize the numbers, check the addition, and generally produce a more correct, less "protestable", bid.

- Committee: These are good, competitive bids and it is a good reflection on the architect and the quality of the documents.

- Joe Ing recommendation: List the alternates in order of priority so that the most important one is first.

- Why wasn't Madison a GC/CM project?

School districts don't have blanket authority to use GC/CM. The state has a pilot program and it periodically requests applications and approves projects for GC/CM. Madison was before the time when the GC/CM process was started by the state. The

District has four GC/CM projects – Hale, Garfield, Roosevelt, and Cleveland. Hale is one of the smaller projects that the state wanted to pilot, under \$10M.

- Committee's role regarding bids is to bring concerns about the bid process to the Board.
- A Madison project schedule handout was reviewed.

ARRANGEMENT OF THE AGENDA

This agenda partially reflects the Committee's wishes for prioritization of the meetings. The Committee will continue to refine the format of the meetings.

DEVELOPMENT OF CAPITAL PROJECTS, BUDGET AND SCOPE, John Vacchieri

- The Facilities Master Plan (FMP) was handed out last meeting. The FMP is a long-range look at District facilities needs for a number of years. The FMP update begins this year. It can take two to three years to complete, including a public process. Board approval is required to authorize the plan.
- The scope of projects is determined by the FMP. Heery develops a planning document of costs that informs the Board decision. The baseline number for BEX II was based on BEX costs. Escalation is factored in; it is 4% for BEX II. The Board is informed of construction program funding: levy funds, state matching funds, and interest earnings.
- The decision to renovate or replace a building is a Board decision. The Board is generally interested in preserving historic buildings because of public interest but individual buildings have to be assessed. The City Landmarks board decision is the final determination on the amount of historic preservation in a given building.
- The Board made a decision to allocate a 10% reserve as a program contingency. Historic remodels are expensive.
- There are program standards that are used to build the budgets.
- The Committee requested a sample planning project.

DISCUSSION OF AREAS OF FOCUS FOR THE COMMITTEE

Committee role/meeting format

- The meeting discussion should go beyond the written monthly report.
- The Committee might be most useful addressing challenges that it could help with.
- Challenging issues can be better addressed when a solid background of information is provided.
- Outside sources of information about the program might be helpful to the Committee.
- Committee members are the professionals/experts who elicit information so that the School Board can be informed about how the program is progressing. This Committee is probably not supposed to audit the program.
- The right people are needed at the meetings. The project managers only come when needed. John, Don, Gary, Nan, Julie, and Ralph will be the core group at every meeting. Resources need to be available to the Committee if a question comes up.

Monthly report/meetings

- Project highlights and all critical issues will be shown in the executive summary. Additional detail will be in the project status.

- It would be up to the Committee to determine when and how it wants to hear about project issues. Situations change daily. The monthly report is in production on the 25th so the information is as of the end of the month.
- Putting everything into the report would produce a huge book that no one would want to read. Meeting discussion is the best way to get to details.

OTHER

- The nomenclature on the schedule is a bit different because the schedule is designed for the public.
- A page for non-Heery projects should be in the monthly report.
- A case study would be helpful for the Committee to review.
- Ralph handed out a change order summary report for the Committee to review for discussion at the next meeting.
- Ralph will provide project budgets.
- John V will request that the Board assign a director to the Committee.
- Staff would like Committee review of design concept and schematic design presentations before they go to the Board.

NEXT AGENDA

- SDT process (Julie will send out a schedule of the SDT meetings)
- Beacon Hill and Nathan Hale project updates
- First Committee report to the Board – January
- Other: Review of change order summary report

FUTURE AGENDA ITEMS

- Negotiating GMAC (Guaranteed Maximum Allowable Cost) with GC/CM
- Case study on a project with challenges, January or February meeting

Adjourned 9:34a

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