

**Building Excellence II Levy Oversight Committee
Meeting Notes, April 9, 2004
Stanford Center, Room 3802, 7:30a - 9:30a**

ATTENDANCE:

Members Present

David Hudd
Ron Jelaco
Karin Nyrop
Ed Peters
Jim Travis

District Staff

Gary Baldasari
Don Gillmore
Ron English
Julie Krick
John Vacchiery

Heery International Staff

Roxann Robinson
Ralph Rohwer
Charlie Demming

Visitor

Chris Jackins

Members Absent

Joey Ing
Jay Keiper

APPROVAL OF MARCH 12, 2004 MEETING NOTES

- Meeting notes were approved.

GCCM PROCESS, Ralph Rohwer

- Five handouts were distributed: Step one: Review of proposals, Step two: Interviews, Handout three: Matrix of fee and site general conditions, Handout four: Garfield High School bid results, and Handout five: Award incentive fee, evaluation periods, criteria and fees.

Overview

- There are 18 State pilot GCCM projects. The District has four; Cleveland, Garfield, Hale, and Roosevelt. The application process is a two-page form of basic questions about the project. An advisory board reviews applications, interviews proposers, and selects the projects. Two more projects have been added to the pilot program and just recently approved.
- The District has to have a School Board hearing and Board approval to use GCCM. The District follows the same process as other state agencies using GCCM.
- The District is running four GCCM processes and there have been no complaints about the process.
- Modernization and replacement projects do qualify for state matching funds. In BEX I state match was about 8% of the program cost. State match is another way in which the State monitors District processes.

Discussion comments and clarifications

- GCCMs are picked on the basis of qualifications not just a low bid. They become involved during the design phase. This allows for a compressed schedule if needed and provides an opportunity for a general contractor to plan work well in advance.
- Proposal criteria were established by the District after a review of other GCCM programs. There are no criteria based on money at this point. The firm has to determine if they can be competitive.
- Self-performed work is allowed by the RCW but can't be more than 30% per the RCW. The GCCM still has to bid on the self-performed work and win, through low bid.
- In the design development (DD) phase of the project the GCCM has to declare how they will package the work. The District conducts the bidding for the self-performed work. The GCCM conducts the other bids. The District evaluates the GCCMs bidding packets to determine if the work has been distributed in a standard and reasonable way. District role in the bidding process is to protect the public integrity of the process and to protect the subs.

- Subcontractor bidding is a low-bid process but the GCCM statute does allow pre-qualification when appropriate. Only unqualified subs can be screened out. There are specific criteria in the statute for pre-qualification. The District's role is to be the gatekeeper of the process. Pre-qualification is only used for complex work.
- The GCCM selection interview includes a "scenario" question that allows the interview team to evaluate how the superintendent and project manager problem solve together. The evaluation of the scenario question is a filter for looking at the criteria categories and informs many of the interview criteria.
- The result of the interview ratings some or all of the firms move to the next stage. At this point it is known that all firms are qualified and the best firms are given an edge that is translated into a dollar figure in an effort to provide a value that works in the bid process.
- The final selection is made based on points given to the bid (up to 75) and points from the interview process (up to 25). The evaluation of the interview points is provided in a letter to each bidder after the sealed bid has been received. This is not a totally low-bid process, although the low bidder can win, and the lowest bid is heavily weighted. The rest of the GCCM process after selection is totally low bid.
- The matrix of fee and site general conditions (handout #3) informs the bidders about which costs are cost-of-work or general conditions. The cost-of-work column could be subcontractor or GCCM work.
- The School Board approves the final selection.
- The Guaranteed Maximum Price (GMP) is also approved by the Board. The District gets 75% of any savings, which takes away the tension and the negotiation around this area. The GCCM gets 25%. The GCCM shares the risk and it was thought they should share in any savings. The shared savings is an effort to incentivize the contractor to make sure the job is completed at or under budget with no windfall profits.
- The Committee agrees that this is a good system. It empowers the District to give the best individual project team a slight edge. The project team is worth money in the overall execution of the project.

NEXT PRESENTATION TO THE BOARD

- Ed will present the second quarterly report at the April 28 Board meeting.
- The Committee would like to encourage Board members to come to Committee meetings and to make use of the expertise of the Committee. Various topics are being explored and the Committee would be happy to discuss them with the Board. At this time, the Committee is exploring budgeting off-site costs, and the GCCM selection process.
- It would be hoped that at the end of the presentation the Board would realize that there were things to talk to the Committee about.
- All Committee members should make an attempt to attend the Board meeting on April 28.
- There is a Board-sponsored community meeting on the District's five-year plan on Saturday, April 17, and Ed plans to attend.

REVIEW OF MONTHLY REPORT (BY EXCEPTION) AND CHANGE ORDER SUMMARY

Beacon Hill

- Bids open on Monday at 3:00p.

Dearborn Park

- It now appears that buying the right-of-way to the unvacated street may be the preferred solution. The southern two-thirds is the right-of-way most critical to the project. It is 55,000 square feet. The City will help to negotiate a reasonable price.

Garfield

- There is not as much water line mitigation as previously thought. This should save about \$200,000.
- On April 15 at 2:30p, the SDT will have a very important meeting to make final decisions on the plan.

Graham Hill

- The move is finishing up from portables to the new addition. Demolition of the portables begins next week.

Hale

- The bid process is finishing up.

Roosevelt

- The hearing on the MUP is coming up.

South Shore

- The project can't be restarted until the decision on the instructional programs is made.
- Unfortunately, because of the project delay, a new roof has to be built. The timing would have been perfect if the project had started on time.

Wing Luke

- Bids open on April 28.

Change Order Summary

- Projects are looking very good in terms of change orders.
- There is a new program budget projection scenario, a "catastrophic" scenario, that attempts to estimate what the real exposure would be in a worst case.
- Center School is a high school in the center house at the Seattle Center. There are 300 students there, using 16,000 sq. ft. on two floors. Conceptually it focuses on the performing arts.

SITES TOUR, APRIL 16

- All the Committee will be there. Wear appropriate clothing and shoes.

NEXT AGENDA, MAY 14

- Standard items
- Beacon Hill bid result
- Wing Luke bid result
- GCCM – contractor perspective, Doug Winn, Hoffman Construction

Meeting adjourned 9:28a

ss:\bexiiovercom\oc040904a.doc/jwk