



BEX/BTA Capital Programs Oversight Committee

February 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 Palewicz called the meeting to order at 8:32 am
2. Guests introduced themselves
3. Roll Call:
 - a. Committee Members Present: John Palewicz, Steve Goldblatt, Warren Johnson, Freeman Fong, Janet Donelson, Steve Tatge, Daniel Williams, Rob Stephenson, Duncan Griffin
 - b. Committee Members Absent: Sherry Edquid,
 - c. Board Attendees Present: Jill Geary, Eden Mack
 - d. Staff Present: Eric Becker, Melissa Coan, Mike Skutack, Richard Best, Fred Podesta, Lucy Morello, Becky Asencio,
4. Approval of Agenda: Daniel Williams made a motion to accept the agenda. Janet Donelson seconded, and the agenda was accepted unanimously.
5. Approval of Minutes from January 11, 2019: Steve Goldblatt made a motion to accept the minutes, Steve Tatge seconded, and the minutes were accepted unanimously.
6. Richard Best introduced Fred Podesta, the district's new COO, and committee members introduced themselves.

Budget Update (Melissa Coan/Richard Best)

1. Melissa Coan reviewed the 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.
 - e. Director Mack inquired into funds derived from a MOU with Seattle Public Utilities (SPU). Richard Best explained that Seattle Public Schools (SPS) replaced a storm sewer line that went through the Wilson Pacific site. SPU had this replacement scheduled for ten years out but SPS recognized a need to complete it sooner, to prevent flooding of Wilson Pacific when the project was under construction. SPU reimbursed SPS for the project. SPS then transferred those funds into Robert Eagle Staff budget.
 - f. John Palewicz explained that the district's goal is ensure that all of the projects identified in the BEX IV capital levy are completed within the total budget amount, such that underspent projects compensate for overspent projects at other sites. Melissa Coan agreed.



2. Melissa Coan reviewed the BTA IV Project Cost Summary
 - a. The budget is in the black.
 - b. There are no variances to report and no changes since the January meeting.
 - c. Steve Goldblatt inquired into the status of EC Hughes, noting that it is 97% charged with a 0 balance. Melissa Coan confirmed that the project is nearly complete, however work orders are still posting and there is a pending utility charge. She explained that when a project includes a capacity increase then there is a corresponding utility charge. This charge is significant, in the range of several hundred thousand dollars, and comes out of the Capital Projects budget.
 - d. Steve Tatge expressed concern that the committee doesn't see a forecast but rather the project budget as the placeholder. He recommended that the project managers produce estimates to be presented in a forecast. He asserted that this would better inform the committee and allow it to advise the team about where to make changes based on costs. Richard Best clarified that those conversations do happen, internally, on a monthly basis. John Palewicz requested that this view of the budgets be shared with the committee. The committee suggested employing a parameter, such as 65%, and bolding the projects on the report that are complete.

Project Status Reports

1. Best referred the committee to the BEX IV Monthly Status Report, highlighting projects with notable delays or other changes to their status.
 - a. He expressed concerns about the impact of February weather conditions on current projects under construction and due to open Fall 2019
 - b. The Wing Luke project will rebid on February 19, 2019. The original bid in October 2018 was \$5M over budget. Capital Projects worked with NAC Architecture to simplify the design and hopefully reduce bid costs by several million dollars. Efforts focused on planned site improvements which bid substantially over estimated costs. Richard Best confirmed that bid alternates have also been included for the project.
 - c. The committee noticed that some of the notes were missing from the printed report and Richard Best agreed to resend the electronic document with all the notes.
 - d. Janet Donelson requested additional detail of the overall schedule of projects, for the committee.
2. Richard Best referred the committee to the BTA IV Monthly Status Report and highlighted the projects that include OSPI Distressed Schools funding.
 - a. Duncan Griffin raised the issue of adding capacity without reverting to portables. Richard Best explained the constraints attached to Distressed Schools funding. The committee agreed that adding capacity through architecture, such as modular or multi-story solutions, instead of portables would be a future agenda topic.
 - b. Director Geary raised the challenges of landmarked buildings, citing that much of the district's greatest capacity challenges are in the landmarked buildings.



- c. Director Mack addressed the matter of portables as a short-term versus long-term planning perspective. She noted that the BEX V plan includes the removal of old portables. Richard Best confirmed that the BEX V implementation plan, which includes the Portables Plan, will be presented to the committee in March.

SPS Drinking Water Status

1. Richard Best introduced Richard Staudt, Risk Manager at SPS, who oversees the district's drinking water program.
2. Richard Staudt reported on the history and status of the district's drinking water, in relation to reports of lead in the water.
 - a. In 2004 the district established an oversight committee for drinking water. This committee instituted the strongest testing and remediation plan in the State of Washington. At that time the Environmental Protection Agency's (EPA) standard was 20 parts per billion, but the oversight committee for drinking water recommended SPS standard be 10 parts per billion. The SPS confirmation process entails testing every faucet every three years and making the results public.
 - b. The remediation plan included installing new drinking fountains and overhauling the pipes.
3. Richard Staudt identified some of the challenges facing the district's water quality
 - a. There are handwashing sinks in the district that exceed 10 parts per billion. There are 26 of these sinks at Broadview, and the remaining 49 are throughout the district. There are six water fountains disabled due to lead. In all these settings there are other sources of drinking water within steps of the disabled unit.
 - b. Broadview Thomson has more sinks than other buildings and one-third of their sinks are affected. In 2009-10 a full water line replacement was made at the site and the drinking fountains were all confirmed at one part per billion. Therefore, the issues appear to be the fittings at particular sinks.
 - c. The State Department of Health and Water Quality has recommended that SPS not disable these sinks. They advise that frequent handwashing is critical for student health and outweighs the potential risk of a student drinking water from the incorrect source.
4. There is a bill pending to lower the standard to 5 parts per billion for drinking water and require school district's implement water testing every three years.
5. Richard Best explained that the next step is to examine the suspected fixtures and assess the cost of replacing them.
6. John Palewicz requested an update at the next meeting.

BEX V Capital Levy Update (Tom Redman)

1. Tom Redman reminded the committee of the vote on the two levies on February 12, 2019.
2. Richard Best referred the committee to the SPS website to see brief videos on each of the eight schools where a BEX V project is proposed.



Alternative Public Works Construction Delivery Methods

John Palewicz introduced his presentation “What’s allowed for alternate public works?”

1. He outlined four approaches to public works projects:
 - a. Design, Bid, Build
 - b. General Construction/Construction Management (GC/CM)
 - c. Design Build
 - d. Job Order Contracting
2. The four different methods are authorized by state law 3910.
 - a. The law automatically sunsets if not reauthorized. The last reauthorization was in 2013 for eight years. The industry is responsible for its reauthorization.
3. Project Review Committee (PRC), comprised of members appointed by CPARB, approves public agencies to use GC/CM or Design Build for up to three years.
4. Steve Tatge asserted the benefits of Design Build. He described it as a delivery model system where all the participants form a team, in which the team wants each of its members to be successful for the good of the whole project. If the team fails, then the fee is at risk. By this process, the team collaborates at every point in the project, starting with the design and continuing through the budgeting and implementation of the project.
5. Warren Johnson described Job Order Contracting as a good option for expedited projects on a tight timeline.
6. Richard Best asked about the University of Washington’s criteria for selecting utilizing the Design Build delivery method in lieu of GC/CM delivery method. Steve Tatge explained that the University of Washington utilizes Design Build in every available instance. It assures price certainty, team members are selected based on their qualifications, and the process minimizes risk and eliminates waste. In his experience, this approach produces higher quality work, via a collaboration, and is a better procurement method to achieve the intent of the project. In contrast, GC/CM only allows the owner to choose the contractor and only some of the major subcontractors. Steve Tatge noted that UW projects are idiosyncratic and have more flexibility than SPS has, in terms of the educational specifications and commonalities across school buildings. Richard Best indicated that he is concerned about the project scope, particularly regarding equity for projects across the district. He noted that he desires not to compromise on the quality of selected materials or systems as he desires to minimize the impact to the district’s general fund from costs later in the lifecycle of a building.
7. John Palewicz summarized the three approaches:
 - a. GC/CM is more prescriptive
 - b. Design Build has greater flexibility
 - c. Job Order Contracting is fast and efficient
8. Janet Donelson recommended certification, if possible, as it provides options.



Agency Certification GC/CM

This item was rescheduled for the March meeting.

Richard Best announced that the March 6, 2019, Board Work Session on the BEX V Implementation Plan will be held at the JSCEE. (The BEX V Implementation Plan Board Work Session is scheduled for 6:00 PM on March 6, 2019 at Garfield High School Commons.) He will share the location with the committee when he emails them the draft of the implementation plan.

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

1. The next meeting will be on March 8, 2019
2. The agenda will include the BEX V Implementation Plan

Adjournment

The meeting adjourned at 10:30 a.m.