BEX/BTA Capital Programs Oversight Committee
May 17, 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 8:31.
2. Guests introduced themselves around the room.
3. Roll Call:
   a. Committee Members Present: John Palewicz, Steve Goldblatt, Warren Johnson, Kyle Wang, Steve Tatge, Duncan Griffin, Daniel Williams, Janet Donelson, Sherry Edquid
   b. Committee Members Absent: Freeman Fong, Rob Stephenson
   c. Board Attendees Present: Director Mack
   d. Staff Present: Melissa Coan, Lucy Morello, Mike Skutack, Eric Becker, Melissa Coan, Richard Best, Fred Podesta, Eric Becker, Michelle Hanshaw
4. Approval of Agenda – Steve Goldblatt made a motion to accept the agenda. Steve Tatge seconded, and the motion passed unanimously.
5. Approval of Minutes from April 12, 2019 – Steve Goldblatt made a motion to accept the minutes. Kyle Wang seconded, and the motion passed 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 highlighted that work will start this summer on this capital levy program’s final major project Daniel Bagley Elementary School.
   c. She reviewed the project expenditures for the other facilities projects.
   d. She reported that a budget transfer will be processed to address the negative ending balance of approximately $650K, which resulted from overspent projects on Hazel Wolf K-8 and Cedar Park - Interim Site.
   e. She indicated that at this time she is aware of not project outliers.
   f. She referred the committee to the multi-page transfers document.
   g. She explained that state SCAP funding comes in after the local share is expended.
   h. Richard Best highlighted that at the May 16, 2019, Operations Committee meeting reaffirmed the Total Cost of Construction (TCC) for the Bagley Elementary project. The TCC will go to the Board in June and Lydig will start construction in July.

2. Melissa Coan referred to BTA IV Program Cost Summary
   a. She highlighted that some of the program’s projects were noted “moved to BEX V” to earmark specific projects that will draw down from specific program budgets
   b. She highlighted savings realized on three roofing projects. Those projects are now complete and have been accepted by the Board of Directors. Remaining funds are now
 earmarked in a completed projects underspend fund with the existing contingency funds.

c. Richard Best highlighted that at the May 16, 2019, Operations Committee meeting the Webster School project starts this summer and requires a budget transfer of $2.1M from the BTA IV contingency fund. He added that BNB builders rebid 60% of their bid packages in an effort to get the project within budget. The significant outliers were the Structures, Light Gauge Metal Stud and Gypsum Wallboard and Electrical bid packages. Eric Becker reported that after rebidding, the electrical bids remained $1M high. He confirmed that significant discussions were conducted with the vendors to understand the issues. Richard Best reported that he had recently reached out to several general contractors concerning the current bid climate which remains very active and with a shortfall of available labor.

d. Mr. Best also note that the District is experiencing bid problems with planned summer work program. The Capital Projects team sequences its bids to avoid competing with its own projects. He explained however that the time of year does impact the success of the bids.

e. Mr. Best conveyed that the department will reevaluate its outreach to the construction market in the fall of 2019. The summer is focused on preparing buildings for start of school.

Project Status Reports (Richard Best)

1. Mr. Best highlighted the four major projects opening this summer: Lincoln High School, Ingraham High School, Magnolia Elementary School and Queen Anne Elementary School. He indicated that both Lincoln High School and Ingraham High School were procured utilizing General Contractor/Construction Manager (GC/CM) methodology, while Magnolia Elementary School and Queen Anne Elementary School were Design/Bid/Build (D/B/B) projects.

2. Director Mack requested a comparative analysis of the GC/CM projects with the D/B/B projects to differentiate between the two methods, with attention to the fiscal impact and project timing. Staff clarified that this will not be a direct comparison between the projects because the two methods are appropriate for different kinds of projects, for example remodeling a historical landmarked site versus constructing a new building.

3. Daniel Williams raised the question of replacing the unreinforced masonry walls at Lincoln High School now rather than postponing the work. Richard Best noted that the unreinforced masonry walls were not all replaced as many had been landmarked. He indicated that the structural engineer had secured the unreinforced masonry walls either with shotcrete or a new “strong back” wall. Daniel Williams questioned if this would meet the City of Seattle proposed 2020 URM code. Richard Best noted that he would need to review that question with the project architect and structural engineer.

4. Director Mack inquired about the joint use agreement regarding student use of public parks during the school day. Mr. Best agreed to follow up on how the Seattle Parks & Recreation shares their public playground space with District schools.

5. Mr. Best reported that Capital Projects does engage landscape architects to inform the design of school landscaping. He indicated that the District is trying to simplify its landscapes. He further
indicated that utilization of irrigation systems to water planting beds is not ideal due to the cost of water. He explained that the initial maintenance of plantings is more successful when the contractor is responsible for the first one to two years, however, this issue is a point of negotiation with the Facilities Director due to Collective Bargaining Agreements. Committee members suggested alternatives like engaging students into a school garden program.

6. John Palewicz requested that landscaping be a future discussion topic for the committee. He recommended engaging landscape architects for that meeting.

**Portable Management Plan (Michelle Hanshaw)**

1. Mr. Best introduced Capital Planning Analyst Michelle Hanshaw and Project Manager Mike Barrett to present the Draft Portables Management Plan.
2. John Palewicz highlighted the committee’s broader concerns about portables, such as the design of the portables, positioning of portables, planning for them, and designing school buildings to accommodate rapid expansion.
3. Ms. Hanshaw provided an overview of the district’s portables including number of units, McKinstry condition scoring, budgets based on the 2018-19 costs, the draft action plan for demolishing/relocating/refurbishing portables throughout the district.
4. She explained that replacing a unit was determined by its condition, not only its age, as older units have been refurbished with new roofs and HVAC systems.
5. Mr. Best conveyed that portables meet an immediate need in an efficient timeline when there isn’t time to build a classroom addition. The district anticipates it will continue to need portables for the foreseeable future. He reiterated that portables are an interim step while the district examines where to construct an addition. Most additions are planned horizontally, unless the building was planned to allow for a vertical construction (i.e. Arbor Heights and Queen Anne Addition)
6. John Palewicz noted that there were two significant issues for the recommendation of portables - the shorter timeframe to place a portable and the lesser cost, when compared to planning and building a classroom addition.
7. Director Mack highlighted that the student population isn’t growing as quickly and connected that to ensuring a more efficient use of building capacity. She introduced the idea of an Advisory Committee to help with identifying capacity and boundaries matters, including where or whether to employ portables.
8. Duncan Griffin proposed considering modular construction as another option.
9. Mr. Best confirmed for Sherry Edquid that the district does have records of how long a portable has been at a site, including some as long as 50 years. He noted that the Portable Plans first step is to replace those units in the worst condition.
10. Ms. Hanshaw confirmed that all of the district’s portables had been scored and next steps were identified. Units with a score of Poor/Unsatisfactory would be refurbished or removed by 2026.
11. Mr. Best suggested a focus group of committee members to help Capital Projects develop a more comprehensive strategy of short-term portables and intermediate planning for a temporary addition.
12. Steve Goldblatt probed on the district’s success at predicting fall enrollment. Director Mack explained that on aggregate we’re good but school by school it’s less clear.

13. Steve Tatge recommended that since the projections will never be perfect, and a rapid placement solution will always be needed, additional study was needed to identify a better modular system that’s more intentionally deployed.

14. John Palewicz suggested that a Design Build project might offer new solutions. He considered it as a challenge to the industry.

15. Daniel Williams asked about requiring architects to consider roof expansion. Mr. Best committed to scheduling a meeting with Daniel Williams and Duncan Griffin on this topic.

**GC/CM Agency Certification (Best)**

1. John Palewicz reminded the committee that GC/CM agency certification is efficient and less expensive for the district than the $35K charged per project for the approval process.

2. Director Mack explained that while the Board trusts the Capital Projects team, a governance concern about oversight remains. She requested analysis of the cost savings, appropriate use, trade-offs and benefits to inform the Board’s decision about agency certification.

3. Steve Goldblatt clarified that the value of GC/CM agency certification is not saving money but about employing a more predictable process, with fewer unpleasant surprises, to achieve the best solution.

4. Steve Goldblatt suggested that the BEX/BTA Oversight Committee could help the Capital Projects team consider which method, GC/CM or DBB, was appropriate for which project. Director Mack concurred that that would be appropriate. Janet Donelsen highlighted that the certification process includes identifying a governing body for the agency. Mr. Best proposed that Capital Projects would engage the BEX/BTA Oversight Committee for oversight. John Palewicz agreed that the oversight could be performed in-house by the committee.

**Adjourn (Palewicz)**

1. John Palewicz conveyed future agenda items for the committee:
   a. Analysis of effectiveness of GC/CM
   b. Landscaping and maintenance
   c. Portables discussion
   d. Delegation of authority and its ties to GC/CM certification

2. Director Mack requested that ribbon-cutting events be added to the agenda and invitations sent to the committee members.

3. Steve Goldblatt raised the issue of how the committee can support the momentum of the district’s GC/CM agency certification. Director Mack noted that a committee vote, and recommendation would be helpful and appropriate. Mr. Best agreed to draft a statement for the July meeting. From there, he would present it to the Operations Committee with a narrative comparing GC/CM and DBB. Daniel Williams recommended including examples and metrics of which projects were successful via the chosen method and how to choose which method was appropriate.
Meeting Re-Cap and Next Meetings Agenda Items (John Palewicz)

1. The next meeting will be on June 14, 2019 at Magnolia Elementary School and will include a tour of the new school.

Adjournment

The meeting adjourned at 10:30 AM.