



SCHOOL BOARD ACTION REPORT

DATE: January 13, 2017
FROM: Scott Pinkham, Board Director

1. TITLE

Alternative Amendment 1 to the Approval of the General Contractor Construction Manager Services (GC/CM) Negotiated Total Contract Cost for the Loyal Heights Elementary School Modernization and Addition project ~~item~~

For Introduction: January 18, 2017
For Action: January 18, 2017

2. PURPOSE

To amend the General Contractor Construction Manager Services (GC/CM) Negotiated Total Contract Cost for the Loyal Heights Elementary School Modernization and Addition project item to follow Scenario 1, as provided in staff's Board Action Report, to preserve more outdoor playground space, and to implement a 3-up (3 classrooms per grade level) instead of a 4-up model, to achieve a better ratio of playground space per student.

3. RECOMMENDED MOTION

I move that the School Board direct the Superintendent to alter plans for the current Loyal Heights Elementary School construction project to implement a 3-up model (3 classrooms per grade level) instead of a 4-up model to achieve a better ratio of playground space per student; to remove childcare areas as proposed in Scenario #1 of the School Board Action Report in order to preserve more outdoor playground space; and to present the Board with necessary budget and contract proposals for Board action at a future Board meeting following appropriate analysis and any necessary environmental review.

~~I move that the following language be substituted for the Approval of the General Contractor Construction Manager Services (GC/CM) Negotiated Total Contract Cost for the Loyal Heights Elementary School Modernization and Addition project item:~~

~~“The Board directs the Superintendent to alter plans for the current Loyal Heights Elementary School construction project to implement a 3-up model (3 classrooms per grade level) instead of a 4-up model to achieve a better ratio of playground space per student, and to remove childcare areas as proposed in Scenario #1 of the School Board Action Report, to preserve more outdoor playground space.”~~

4. BACKGROUND INFORMATION

- a. **Background** Loyal Heights Elementary School is located at 2511 NW 80th Street, in Ballard in Northwest Seattle. The current District plans call for retaining and renovating the current school and constructing additions. The target capacity would expand to 660 students, as compared to current enrollment of about 450.

The school is on a relatively small site of 2.85 acres within a residential neighborhood. For several years, large numbers of parents at the school, neighbors of the school, and community members have repeatedly expressed their opposition to the current plans at a number of public meetings. Many people believe that the project is too big for the site, and a much smaller playground space serving an expanded number of children is a central objection. Current plans call for the playground to shrink by 30%, and the neighborhood-installed grassy park areas on the playground would be paved over.

District staff favor a 3-up model for Magnolia but not for Loyal Heights. As the elected body to which the public and parents in the District turn, the School Board should assert further oversight of this project.

Four points:

1. While the District has indicated that a 3-up model would not reverse the loss of playground space, the proposed amendment would establish a better ratio of playground space per student.
2. A 3-up model appears to allow significant cost savings (\$12 million).
3. There are options to address impacts on interim site schedules.
4. The upcoming availability of the Webster site (currently occupied by the Nordic Heritage Museum) can help alleviate any projected growth in the area.

1. A better ratio of playground space per student.

Recess is an important part of education for elementary students, and adequate outdoor playground space is needed for recess.

The District has been reducing playground space during its recent construction projects (for example, at Hazel Wolf and Thornton Creek). This needs to stop. The District should look at acquiring more space and reversing the effects of the previous sale of school sites.

The District's priority is to serve K-12 students. The current plan to construct child care spaces at Loyal Heights contributes to the reduction of playground space.

2. Significant cost savings (\$12 million).

Board Action Reports related to budget actions for the Loyal Heights and Magnolia projects are part of the January 18, 2017 Board agenda. Comparing the proposed Loyal Heights project budget (4-up, 660 capacity, \$46,408,355 – Scenario #1 or \$47,258,355 – Scenario #2) with the Magnolia project budget (3-up, 500 capacity, \$34,596,493) shows that a 3-up model could save about \$12 million.

Both scenarios offered in the non-amended motion will drive up costs: Scenario 1 costs \$2.55 million and Scenario 2 costs \$3.4 million. Scenario 1 reduces costs by \$850,000

compared to Scenario 2 by dropping childcare areas. With the proposed substitute motion, the District will no longer need to allocate either \$2.55 million or \$3.4 million to the Total Contract Cost for the Loyal Heights project.

The \$12 million cost difference is good news. The District had previously thought that cost savings from going to a 3-up model would be much smaller, “roughly” \$2.5 million.

3. Options to address impacts on interim site schedules.

In a May 31, 2016 memo the District indicated that it expects a new City Permit for a downsized school (going from a 660 size to a 490 size) could be obtained within 6 months.

The same memo discussed “escalation costs” in the context of the “roughly \$2.5 million” in savings expected at that time, from possible effects on Queen Anne and Bagley project schedules, but such effects appear in a different light in the context of \$12 million in savings.

Further, the District should be able to use Schmitz Park as an interim site to help reduce impacts on project schedules. Schmitz Park students have only recently been moved to Genesee Hill, without any known plans for using the Schmitz Park site.

4. Projected area growth.

The need for the 4-up model was to help address projected growth for the area. However, the upcoming availability of Webster can provide space for the future projected growth as no plans have been made for this site.

- b. **Alternatives** Do not approve this action. This is not recommended because the School District needs to retain adequate playground space and support reasonable changes to projects when proposals end up not fitting well at a site and the District needs to consider cost savings.
- c. **Research**
 - May 31, 2016 Assistant Superintendent memo on Loyal Heights
 - Board Action Reports related to budget actions for the Loyal Heights and Magnolia projects are part of the January 18, 2017 Board agenda.

5. FISCAL IMPACT/REVENUE SOURCE

This change is estimated to result in a \$12 million cost savings for the project. The project is funded by BEX IV levy funds.

The revenue source for this motion is N/A.

Expenditure: One-time Annual Multi-Year N/A

Revenue: One-time Annual Multi-Year N/A

6. COMMUNITY ENGAGEMENT

With guidance from the District’s Community Engagement tool, this action was determined to merit the following tier of community engagement:

- Not applicable
- Tier 1: Inform
- Tier 2: Consult/Involve
- Tier 3: Collaborate

This amendment is being introduced based upon community input shared with Director Pinkham on the magnitude of the project being too large for the site and thus reducing the outdoor play space for the school. Public testimony speakers at prior Board meetings have also shared this concern with the site that prompted the proposed Scenario #1 of the School Board Action Report.

7. EQUITY ANALYSIS

This action would eliminate the need to redraw growth boundaries to larger new schools. Relocating students impacted by changed boundaries is a known disruption for families and students. Larger schools will also further marginalize underserved populations and negatively impact their education. Opening Loyal Heights Elementary as a 3-up will minimize or eliminate the need to disrupt students who are currently attending other elementary schools in the NW area and current boundaries can stay more consistent over the years.

8. STUDENT BENEFIT

Loyal Heights students would benefit from this action by both having more outdoor playground space made available, and to also achieve a better ratio of playground space per student.

9. WHY BOARD ACTION IS NECESSARY

- Amount of contract initial value or contract amendment exceeds \$250,000 (Policy No. 6220)
- Amount of grant exceeds \$250,000 in a single fiscal year (Policy No. 6114)
- Adopting, amending, or repealing a Board policy
- Formally accepting the completion of a public works project and closing out the contract
- Legal requirement for the School Board to take action on this matter
- Board Policy No. _____, [TITLE], provides the Board shall approve this item
- Other: Board action is necessary to amend proposed Board motions

10. POLICY IMPLICATION

N/A

11. BOARD COMMITTEE RECOMMENDATION

This motion was not reviewed by a Board committee.

12. TIMELINE FOR IMPLEMENTATION

Upon approval of this motion, District staff will direct architects and contractors on the Loyal Heights project to alter current plans as described in the motion to produce a 3-up model (3 classrooms per grade level) instead of a 4-up model, to remove childcare areas as proposed in Scenario #1 of the School Board Action Report and to preserve more outdoor playground space.

13. ATTACHMENTS

- May 31, 2016 Memo from Associate Superintendent for Facilities & Operations

From: Herndon, Flip <ltherndon@seattleschools.org>
Sent: Tuesday, May 31, 2016 4:58 PM
To: Burke, Richard A
Subject: Re: Question about Into item for Wed meeting

Follow Up Flag: Follow up
Flag Status: Flagged

Rick,

I have Richard Best filling in the gaps on these. He should have something ready for you tomorrow morning or early afternoon.

I'm also going to send something out to the whole board on Loyal Heights. I had the team look at some calculation on a reduction in size, just to know numbers. As was mentioned in the Friday memo, the footprint is the same on the bottom. The cost difference between a 490 and 660 is roughly \$2.5 million (not much). However, at this point to reduce the project would actually cost more and not get us needed capacity. The project would have to be delayed 4 years. We would have to redesign, go back through all the SEPA and landmarks meetings and reapply for permits and rebid the project. We could get all that done within 6 months or so, but that pushes Loyal Heights back a year to move into Marshall, which would push Queen Anne and Bagley back in their schedule too. I wouldn't do that, so Loyal Heights would have to go to the back of the line, which would be in the summer of 2020. By then, the escalation costs of the projects would exceed \$2.5 million and ultimately cost us more to build the fewer rooms. All that, plus I wouldn't recommend it anyway because we need the space and I believe the area will continue to get more dense.

The money issue alone should put this to rest, in my opinion. We need it built. It's scheduled to be built. Let's move on.

See you tomorrow.

-Flip