



# School Board Briefing/Proposed Action Report

**Informational** (no action required by Board)     **Action Report** (Board will be required to take action)

**DATE:** August 17, 2016  
**FROM:** Dr. Larry Nyland, Superintendent  
**LEAD STAFF:** Dr. Lester Herndon, Assistant Superintendent, Facilities & Operations, (206) 252-0644, [ltherndon@seattleschools.org](mailto:ltherndon@seattleschools.org)

## I. TITLE

BEX IV and BTA IV: Award Contract P1460 for Construction Management Services to Shiels Obletz Johnsen, Inc. for the Classroom Addition at Ingraham High School project

For Introduction: August 24, 2016  
For Action: September 7, 2016

## II. WHY BOARD ACTION IS NECESSARY

Per Board Policy No. 6220, Procurement, all contracts exceeding \$250,000 must be approved by the Board. The contract to Shiels Obletz Johnsen, Inc. for the full scope of Construction Management Services for the Classroom Addition project at Ingraham High School will exceed \$250,000.

## III. FISCAL IMPACT/REVENUE SOURCE

Fiscal impact to this action will be \$1,397,000.

The revenue source for this motion is BEX IV and BTA IV capital levy funds.

Expenditure:     One-time     Annual     Other Source

## IV. POLICY IMPLICATION

Per Board Policy No. 6220, Procurement, any contract over \$250,000 must be brought before the Board for approval.

## V. RECOMMENDED MOTION

I move that the School Board authorize the Superintendent to execute contract P1460, with Shiels Obletz Johnsen, Inc., in the amount of \$1,397,000 for Construction Management Services for the Ingraham High School Classroom Addition, in the form of the draft agreement attached to the Board Action Report, with any minor additions, deletions, and modifications deemed necessary by the Superintendent and to take any necessary actions to implement the contract.

## VI. BOARD COMMITTEE RECOMMENDATION

This motion was discussed at the Operations Committee meeting on August 16, 2016. The Committee moved this item forward to the full Board with a recommendation for consideration.

## **VII. BACKGROUND INFORMATION**

On February 9, 2016, voters approved the \$475.3 million, Building, Technology and Academics/Athletics (BTA) IV Capital Levy, which will support Seattle Public Schools (District) long-range plans to upgrade and renovate aging school facilities and address enrollment growth. Currently, the District is experiencing a surge in student enrollment growth. BTA IV includes a classroom addition project at Ingraham High School which will further address the student capacity needs of the District by adding up to 500 seats to the facility.

An interim contract K1257 for preliminary management of the site conditions assessment, site specific planning and conceptual design work, with compensation for additional services and reimbursable expenses not to exceed \$58,572, enabled the beginning of project specific work in June of 2016.

This Construction Management Contract with Shiels Oblatz Johnsen, Inc., covers the Ingraham High School Classroom Addition project. Under the contract, Shiels Oblatz Johnsen, Inc. will provide project management services through design, construction, and closeout of the project.

The following are some key reasons and benefits for using a Construction Management (CM) firm for this project:

- One of the primary drivers for engaging contract CM services is to accommodate the fast track schedule of the largest BTA IV projects that are needed to accommodate district student enrollment growth.
- A significant benefit of retaining CM firms is that they bring a series of specialized skills, such as cost estimating, schedule management, claims management, familiarity with local building codes and processes, community presentation capability, and design facilitation.
- If the temporary need for staff augmentation was addressed by hiring additional internal staff, it is likely that it would take several months to hire them and they would need to be laid off in 2-3 years as workloads decline. Hiring and firing in such short succession can be disruptive to the capital department, and is not likely to result in the best candidates.
- The District has demonstrated a history of success, from the Capital Improvement Program (CIP) in the 1980s and 90s through four BEX programs using qualified Construction Management firms to supplement in-house Project Management Staff.
- Best practice is for school districts to use outside CM services for large programs and complex projects. This is done by Spokane, Tacoma, Lake Washington, Northshore and Bellevue School Districts.
- Financial program management for smaller BTA projects will be managed by in-house staff.

The District publicly advertised for services in March of 2016. Four (4) firms submitted proposals: Cumming, Hainline, Heery International, Inc. and Shiels Oblatz Johnsen, Inc. The review panel consisted of District staff. The review panel interviewed all four (4) firms and selected Shiels Oblatz Johnsen, Inc. as the most qualified firm for the Ingraham High School Classroom Addition project based on specific criteria to best meet its needs, including factors like demonstrated performance on similar projects, K-12 school construction experience, communication skills, General Constructor/Construction Manager (GC/CM) experience and expertise, Alternative Public Works construction delivery method experience, Construction

Manager certifications and education, knowledge of local and city issues, familiarity with Washington State Environmental Policy Act (SEPA), and the willingness to accept the District's standard terms and conditions. In addition to the factors listed above, the District included cost as a criterion in selecting its Construction Management firm, and negotiated the contract terms and price, to receive the best value for the services.

**VIII. STATEMENT OF ISSUE**

Whether to execute Contract P1460 with Shiels Obletz Johnsen, Inc., for Construction Management Services for the Classroom Addition at Ingraham High School project.

**IX. ALTERNATIVES**

Do not approve this motion. This is not recommended because the Construction Management firm has an important role in the design phase and if preliminary work is not started immediately, the school opening may be delayed and the District's capacity shortfall will not be addressed at the earliest possible date.

**X. RESEARCH AND DATA SOURCES / BENCHMARKS**

The Construction Management firm will employ the following resources when planning this project:

- The Educational Specifications for High Schools currently being finalized
- Seattle Public Schools Facilities Technical Standards
- BTA IV Capital Levy Schedule
- School Design Advisory Team Manual
- BTA IV Robinson Co. Order of Magnitude Estimate, dated June 2015
- Meng Analysis - Facilities Condition Assessment Report, dated 2014
- Structural Evaluation by PCS Structural, dated May 15, 2009

**XI. TIMELINE FOR IMPLEMENTATION / COMMUNITY ENGAGEMENT**

Upon Board approval of this motion, planning and design will begin, including engagement with a Site Specific School Design Advisory Team.

**XII. ATTACHMENTS**

- Contract P1460
- Interim Contract K1257 for Construction Management Services