SCHOOL BOARD ACTION REPORT



DATE: July 30, 2018

FROM: Denise Juneau, Superintendent

LEAD STAFF: Dr. Lester Herndon, Associate Superintendent, Facilities and Operations

206-252-0644, lherndon@seattleschools.org

For Introduction: August 29, 2018 **For Action:** September 5, 2018

1. TITLE

BEX IV: Final Acceptance of Contract P5045, Lydig Construction, Inc. for the Hazel Wolf K-8 at Pinehurst Replacement project

2. PURPOSE

The purpose of the Board Action is to approve the final acceptance of Public Works Contract P5045 with Lydig Construction, Inc., for the Hazel Wolf K-8 at Pinehurst Replacement project. Board approval allows the district to submit required documents to the State of Washington's Department of Labor & Industries, Department of Revenue, and the Employment Security Department, in order to proceed with project closeout.

3. <u>RECOMMENDED MOTION</u>

I move that the School Board accept the work performed under Contract P5045 with Lydig Construction Inc. for the Hazel Wolf K-8 at Pinehurst Replacement project, as final.

4. BACKGROUND INFORMATION

a. Background

This replacement project relocates the existing Hazel-Wolf K-8 program to a new 680-student capacity school constructed at the Pinehurst site. The scope of the project originated from the Meng Building Conditions Report issued April 2009 and overcrowding conditions/capacity concerns.

NAC Architecture designed the new school with extensive engagement from the School Design Advisory Team (SDAT). The district sought bids to build the new school in the winter 2015 and Lydig Construction Inc. was awarded the project for a contract amount of \$25,198,600 plus Washington State Sales Tax (WSST). The scope of work included demolition of the existing Pinehurst school and construction of a new 81,897 square foot multistory school and associated site improvements.

Lydig Construction Inc. has satisfactorily completed the contract work and the consulting architect, NAC Architecture, and construction management firm, CBRE/Heery International, Inc., agree and recommend final acceptance of the project.

As previously reported to the Board's Operations Committee, the project budget had a shortfall of \$275,000. Funds were transferred from the BEX IV program contingency to the project budget to cover the additional costs. The additional costs included, but were not limited to: weather delays, additional geothermal wells, larger than expected enrollment and a multiple phased construction approach.

Change order expenditures overall amounted to 8.9% of the original construction contract amount with the most significant expenditures associated with weather delays (the fall and winter of 2015-2016 were the second wettest on record), which negatively impacted the project schedule requiring owner approved overtime to mitigate schedule delays. Change orders were reasonable for a project of this magnitude and the weather conditions experienced during construction.

b. Alternatives

Not accepting the project in a timely manner could put the District in a position subject to litigation. Therefore, this alternative is not recommended.

c. Research

- Building Condition Survey, Meng Analysis, April 2009
- Seattle Public Schools Technical Building Standards dated December 2012
- Seattle Public Schools Educational Specification dated December 2012
- Site Specific Educational Specifications for Hazel-Wolf K-8 dated August 2013

5. FISCAL IMPACT/REVENUE SOURCE

All payments have been made to the contract from the Building Excellence (BEX) IV Capital levy funds. No outstanding invoices remain.
Expenditure: One-time Annual Multi-Year N/A Revenue: One-time Annual Multi-Year N/A
6. <u>COMMUNITY ENGAGEMENT</u>
With guidance from the District's Community Engagement tool, this action was determined to merit the following tier of community engagement:
Not applicable ■ Not applicable Not applicable
☐ Tier 1: Inform
☐ Tier 2: Consult/Involve
Tier 3: Collaborate

7. <u>EQUITY ANALYSIS</u>

This motion was not put through the process of an equity analysis. The selection of projects in the BEX IV program was designed to provide equitable access to safe school facilities across the city.

8. <u>STUDENT BENEFIT</u>

This project helps ensure a safe, secure learning environment for every 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:

In accordance with WAC 392-344-160, Board approval of final acceptance is required to complete the Office of Superintendent of Public Instruction D-11 application to release project retainage.

10. POLICY IMPLICATION

For purposes of avoiding disputes over the timing of the filing of liens, the School Board should accept the work on a construction project as finally complete prior to the release of retention.

11. BOARD COMMITTEE RECOMMENDATION

This motion was discussed at the Operations Committee meeting on August 22, 2018. The Committee reviewed the motion and moved this item forward to the full board with a recommendation for approval.

12. TIMELINE FOR IMPLEMENTATION

Acceptance of Completed Project by School Board Release of Retainage Bond

September 5, 2018 October 2018

13. <u>ATTACHMENTS</u>

Architect's Letter of Recommendation



July 26, 2018

Mr. Mike Skutack Seattle Public Schools 2445 Third Ave. South Seattle, WA 98134

RE: Pinehurst K-8 (also called Hazel Wolf K-8)

Final Acceptance Recommendation

NAC project #121-13002

Dear Mike,

Pursuant to WAC 392-344-155 (Requirements for Final Acceptance of School Projects by Architect/Engineer) this letter is to recommend Final Acceptance of the New Pinehurst School (Hazel Wolf K-8) to the Seattle School District Board of Directors. Pursuant to WAC 392-349-019, work completed includes 81,897 square feet of new construction.

Based on our best knowledge, information, and belief, and on the basis of in-field observations, the contract work by Lydig Constructions is complete and in accordance with the terms and conditions of the contract documents.

We recommend Final Acceptance of this project as complete on July 26th, 2018. Substantial Completion was established on August 31st, 2016.

We are proud to have worked with Seattle School District and Lydig Construction to create a school that suits the Hazel Wolf program while also being flexible to serve the District's future needs. We hope that this school continues to serve the District and the community of teachers, staff, parents, students, and neighbors well for decades to come.

Sincerely,

Matt Rumbaugh, AIA, LEED AP

Matt Kumbay

Principal

cc: Scott Lund, Andie Rutledge

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