



## **SCHOOL BOARD ACTION REPORT**

**DATE:** September 14, 2020  
**FROM:** Denise Juneau, Superintendent  
**LEAD STAFF:** Fred Podesta, Chief Operations Officer  
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**For Introduction:** September 23, 2020  
**For Action:** October 7, 2020

### **1. TITLE**

BTA III: Final Acceptance of Contract K5106 with Western Ventures Construction, Inc., for the John Muir Geothermal Wells project

### **2. PURPOSE**

The purpose of this action is to approve final acceptance of Contract K5106 with Western Ventures Construction, Inc., for the John Muir Geothermal Wells project. Board approval allows the district to submit required documents to the Washington State Department of Labor & Industries, Department of Revenue, and Employment Security Department, and closeout the project, including authorizing the release of project retainage.

### **3. RECOMMENDED MOTION**

I move that the School Board accept the work performed under Contract K5106 with Western Ventures Construction, Inc., for the John Muir Geothermal Wells project as final.

### **4. BACKGROUND INFORMATION**

#### **a. Background**

The John Muir Geothermal Wells project, located at 3301 South Horton Street, Seattle, WA, is funded through the BTA III levy passed by the voters in February 2010. The school was completely modernized in 1991. Prior improvements that have been made at the John Muir Elementary School since the year 2000 include accelerated technology improvements, mechanical upgrades, re-roofing work, seismic improvements, and heat pump replacement.

IBI Group prepared the design and construction contract documents. The John Muir Geothermal Wells project was publicly bid on February 26, 2019, with a total of two (2) bids being received. The scope of work for this project includes the installation of 80 geothermal wells each 350 feet deep, installation of piping connections, and connection to the building's hydronic heating and cooling system.

Western Ventures Construction, Inc., has satisfactorily completed the contract work and IBI Group agrees and recommends Board final acceptance of the project. The apprenticeship utilization rate for this project is 11%. The final expenditure amount is \$2,296,312

**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**

- Seattle Public Schools Technical Building Standards dated December 2012
- Facilities Condition reports, Meng Analysis
- 2015 Seattle Building Code
- Coordination meetings with district facilities and other stakeholders throughout the design process

**5. FISCAL IMPACT/REVENUE SOURCE**

All payments have been made to the contract from the BTA III Capital levy funds. No outstanding invoices remain.

During the course of the project, two (2) Change Orders were issued, comprised of five (5) Change Order Proposals or Construction Change Directives. Change Orders totaled \$36,506 plus Washington State Sales Tax (WSST). Change order expenditures totaled 2.1% of the construction contract amount with the most significant expenditures associated with revamped playground striping over the south geothermal well field.

Contractor:	Western Ventures, Construction, Inc.
Contract Amount	\$1,703,500
Change Orders	\$36,506
WSST	<u>\$175,741</u>
Total Contract including WSST	\$1,915,747
Project Retention	Retainage Bond

Amy Fleming: Approved Without Edits—9/2/20 (as noted in routed, email confirmation)  
Director of Accounting

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

**7. EQUITY ANALYSIS**

The selection of projects for the BTA III Capital Levy was done during 2009 and the selection process did not go through an equity analysis. Projects were identified as building systems were reaching the end of their useful life or to address safety or operational issues.

**8. STUDENT BENEFIT**

This project ensures 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: \_\_\_\_\_

**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 September 10, 2020. The Committee reviewed the item and moved the item forward with a recommendation for approval by the full Board.

**12. TIMELINE FOR IMPLEMENTATION**

Acceptance of Completed Project by School Board	October 7, 2020
Release of Retainage Bond	December 31, 2020
Contractor's One-Year Warranty period ends	August 20, 2021

**13. ATTACHMENTS**

- Architect's Letter of Recommendation, in accordance with [WAC 392-344-155](#) (for reference) (available upon request from the Capital Projects & Planning office)