



BEX /BTA Oversight Committee

May 9, 2025, 8:30 – 10:30 AM

JSCEE Room 2750

Minutes

1. Call to Order

- a. Duncan Griffin called the meeting to order at 8:30 AM
- b. Roll call:
 - i. Committee members present: Duncan Griffin, Warren Johnson, Bill Kent, Steve Tatge, Mike Fink, Jenn DuHamel, Luis Adan, Sherry Edquid
 - ii. Committee members absent: Janet Donelson, Lavina Sadhwani, Monty Anderson,
 - iii. Board Directors present: President Gina Topp
 - iv. Board Directors absent: Joe Mizrahi
 - v. Capital Projects Staff present: Richard Best, Tom Gut, Vincent Gonzales, Melissa Coan, Becky Asencio, Jen Lincoln
- c. The meeting agenda: Warren Johnson made a motion to approve the agenda. Bill Kent seconded. The motion passed unanimously.
- d. Meeting minutes: Mike Fink made a motion to approve the minutes from April 11, 2025. Steve Tatge seconded. The motion passed unanimously.

2. BEX V RBHS – Phase 3 Activation & Occupancy

Mr. Best reminded the committee that Phase 3 of Rainier Beach High School (RBHS) opened to students on Monday, April 21, 2025. He conveyed that an Open House with dedications of the library, gymnasium, and basketball court was scheduled for Saturday, May 10, 1:00 – 4:30. He invited the BEX/BTA Oversight Committee members to attend and celebrated the contributions of the project's team. He noted that two phases remain for the completion of the project. Mr. Griffin highlighted the importance of gleaned lessons learned about community engagement related to Seattle Public Schools construction projects.

3. BEX V & BTA V Project Financial Updates

Ms. Coan reported on the BEX V Capital Levy through March 31, 2025. She conveyed that the program is 68% expended. She confirmed that revenue was on course to match expenses. Mr. Fink asked about the status of the Inflation Reduction Act (IRA) funds that were budgeted into the program. Mr. Best relayed that while the IRA is not at risk now, if that changes then the district is prepared to submit on the RBHS project through phase 3, rather than wait for the completion of phase 4 and risk losing the full elective pay contribution.

Ms. Coan reported on the BTA V Capital Levy through March 31, 2025. She conveyed that the program is 24% expended. She highlighted that larger expenditures for the Memorial Stadium Project are anticipated to begin in September 2025. She confirmed that the program's revenue matches the expenditures to date and no funding is at risk.

Mr. Best provided an overview of the next steps in developing the BEX VI cash flow and implementation plan. He clarified that the planning and design processes for the John Marshall Interim Site project were scheduled to start July 2025. He confirmed that the team would be looking for a committee member to serve on the selection committee for the project. Ms. DuHamel conveyed her interest in that role.

Mr. Fink asked about the Technology line item in the BTA V budget. Mr. Best clarified that Technology funds were managed by the Department of Technology Services (DoTS) and overseen by the Information Technology Advisory Committee (ITAC). He confirmed that DoTS cannot exceed the funds budgeted to Technology in any levy, including the BTA V levy. Ms. Asencio added that the Technology expenses cannot impact the Capital Projects allocation.

4. BEX V & BTA V Project Updates

Mr. Best conveyed that all Major Projects scheduled to open in Summer 2025 are on schedule with no expected delays. Vince Gonzales noted that he is closely watching the John Muir project as construction is scheduled to continue until mid-August 2025.

Mr. Best asked the committee for their suggestions concerning how to reduce the risks associated with fluctuating tariffs for the Aki Kurose Middle School project scheduled to bid Spring 2026. He noted that the IRA offers a 10% bonus if a project employs a "Buy American" clause and corresponding certifications that the materials were made in the USA.

Mr. Johnson recommended open competition to bring in more bidders. He expressed concern that a "Buy American" clause would limit the options. He conveyed that the project team, comprised of SPS and the General Contractor/Construction Manager (GCCM), Mechanical Contractor/Construction Manager (MCCM) and Electrical Contractor/Construction Manager (ECCM) should collaboratively address the risks and potential costs resulting from tariffs. He also suggested establishing an allowance for tariff costs. Mr. Kent echoed this approach and compared it to how a team addresses significant escalation costs. Mr. Tatge added that managing the issue as a team could prevent conflict and unpleasant surprises later in the project.

Mr. Tatge highlighted that the "Buy American" approach could result in unintended consequences such as sourcing challenges. Mr. Kent noted that it would also have implications for the projects design team. Ms. Edquid commented on the onerous paperwork the approach entailed for the owner.

Mr. Best concluded the discussion by summarizing the committee's recommendation to communicate with the GC, MCCM, and ECCM to understand where the tariffs are showing up in their bids, and to set an allowance for the tariff costs. Mr. Tatge suggested adding alternates or other places to reduce costs to counterbalance the tariffs. Mr. Johnson conveyed that a 10% bonus via the IRA would not cover the unintended consequences of the "Buy American" strategy.

5. Clean Energy Planning Updates

(Becky Asencio, Kyle Stewart – Seattle Public Schools;
Michael Baranick, Brian Cawley - Hargis Engineers)

Ms. Asencio provided an overview of District efforts and introduced SPS and Hargis Engineers representatives collaborating concerning this effort. She identified the three sets of targets and due dates that shaped the work: Clean Buildings Performance Standards (CBPS) set by the state of Washington, Building Emissions Performance Standards (BEPS) set by the city of Seattle, and three SPS School Board Resolutions addressing climate resiliency.

Mr. Baranick introduced the project with an overview of the SPS landscape in terms of energy costs, changing weather patterns, and the SPS Board resolutions. He reviewed the CBPS, BEPS, and the resolutions and identified the targets, timelines, and penalties for each. The committee and presenters discussed concerns about Seattle City Light's electrical capacity to energize all identified sites on the given timeline. Mr. Griffin recommended building in flexibility to shift to onsite renewables or battery systems.

Mr. Cawley presented details on the processes and date of the project. He outlined the assessment methodology including the timeline of reviewing SPS buildings, defining Energy Efficiency Measures (EEM), composing recommendations. He relayed how the project informed the development of the BEX VI Capital Levy.

Mr. Baranick conveyed the results of the project. He presented cost estimates and timelines for the work to achieve compliance with CBPS, BEPS, and the Board Resolutions through the Capital Levies. He compared the cost of penalties with the additional benefits of bringing SPS sites into compliance. He concluded his comments with compliance outlooks for both CBPS and BEPS and the paths to compliance for each standard.

The committee and presenters discussed the Financial Toolkit that Hargis developed for SPS as part of this project. Mr. Cawley and Mr. Baranick confirmed that the tool facilitates tracking the district's progress toward compliance and can help predict the costs of projects to bring additional sites into compliance. They clarified that compliance standards are based on building usage, such that if buildings were used year-round the risk compliance remains approximately the same.

6. Adjourn

Mr. Griffin adjourned the meeting at 10:31 AM.