



Mason Health

Mason General Hospital • Mason Clinic

**State of Washington
Capital Projects Advisory Review Board (CPARB)
Project Review Committee (PRC)**

**Application for Re-Certification of a Public Body
GC/CM Delivery**

**Submitted by
Mason Health
April 2, 2020**

Capital Projects Advisory Review Board (CPARB)
PROJECT REVIEW COMMITTEE (PRC)

APPLICATION FOR RECERTIFICATION OF PUBLIC BODY
RCW 39.10 Alternative Public Works Contracting
General Contractor/Construction Manager (GC/CM) and/or Design-Build (DB)

The CPARB PRC will consider recertification applications based upon agency's experience, capability, and success in undertaking Alternative Public Works Contracting utilizing the General Contractor/Construction Manager (GC/CM) and/or Design-Build (DB) project delivery process. **Incomplete applications may delay action on your application.**

Identification of Applicant

- a) Legal name of Public Body (your organization): **Public Hospital District No. 1, Mason County, WA. Dba Mason Health (Mason General Hospital / Mason Clinic)**
- b) Address: **901 Mountain View Dr. PO Box 1668; Shelton, WA 98584**
- c) Contact Person Name: **Eric Moll** Title: **Chief Executive Officer**
- d) Phone Number: **360-427-9554** E-mail: **emoll@masongeneral.com**
- e) Effective Dates of current Certification **07/27/2017 – 07/27/2020** GC/CM _____ DB
- f) Type of Certification Being Sought GC/CM _____ DB

1. Experience and Qualifications for Determining Whether Projects Are Appropriate for GC/CM and/or DB Alternative Contracting Procedure(s) in RCW 39.10

(RCW 39.10.270 (2)(a)) Limit response to two pages or less.

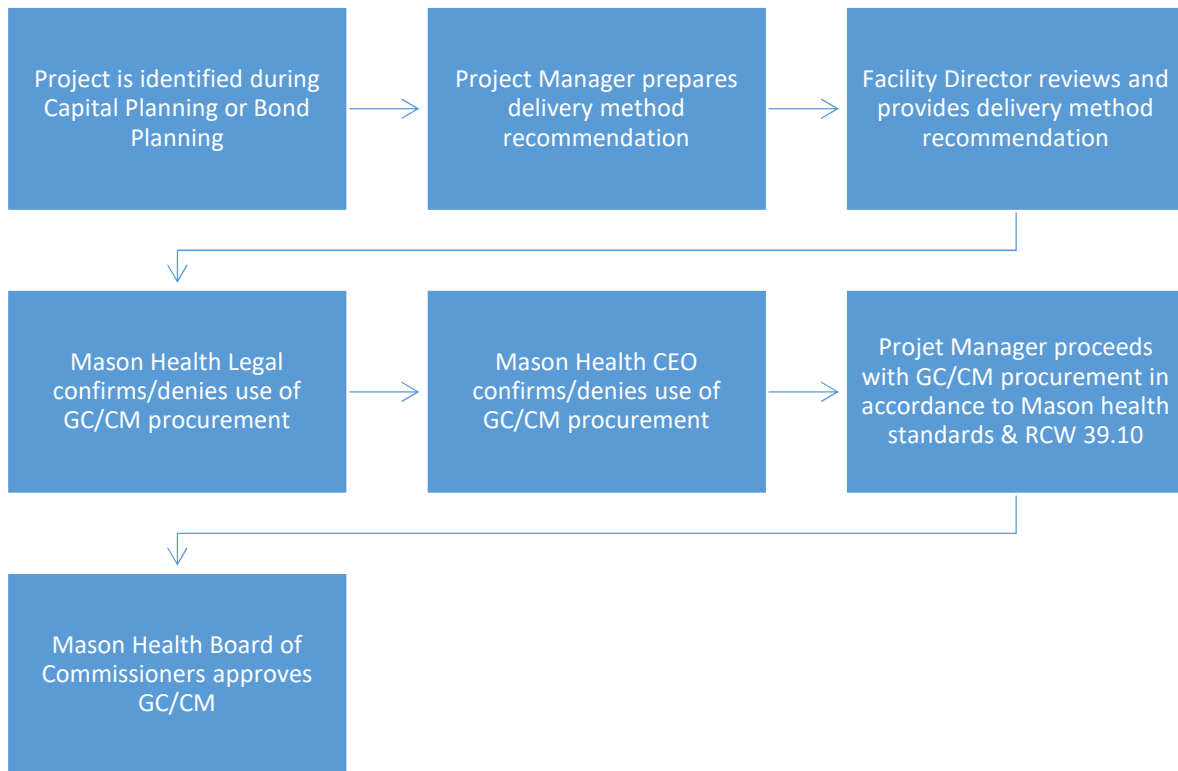
Provide your agency's processes. If there have been any changes to your agency's processes since certification/re-certification addressing items (a) and (b) below, please submit the revised process chart or list with the reasoning for the changes.

- (a) The steps your organization takes to determine that use of GC/CM and/or DB is appropriate for a proposed project; and
- (b) The steps your organization takes in approving this determination.

RESPONSE:

The flow chart below illustrates the Mason Health process for determining appropriate delivery method for each project. The only change from the previous application is an additional step in the flowchart below for determining delivery method. After the Facility Director provides their recommendation, the recommendation must be reviewed and approved by Mason Health's Legal counsel before it is submitted to the CEO for final approval. This additional step is crucial and gives the team the confidence that nothing has been overlooked, and the delivery method recommendation is sound.

Also refer to attached Exhibit A – Delivery Method Recommendation Form. We have included a recently completed form for the PAC & Rehab Project as an example at the end of this application.



2. Project Delivery Knowledge and Experience

(RCW 39.10.270 (3)(b)(i)) Limit response to two pages or less.

Please describe your organization’s experience in delivering projects under Alternative Public Works in the past three years and summarize how these projects met the statutes in RCW 39.10.

(a) Include the status of each alternative delivery project *[planned, underway, or completed, projects, start and completion dates, and projected/actual construction cost]*. Describe cost overruns or schedule delay, and any Litigation and Significant Disputes on any Alternative Delivery Project since Previous certification/re-certification.

RESPONSE:

a. Knowledge and Experience, past three years:

Mason Health recently completed a \$43.5 million project constructing a new Medical Office Building attached to the hospital using GC/CM. Not within the last three years, however worth noting, the hospital also completed a \$35 Million Campus Renewal Project using the GC/CM procurement method in 2013, adding a new surgical wing to the campus.

Medical Office Building (MOB) – Mason Clinic

- Project Status: Closeout
- Planning, Design & Permitting: 2015 – 2018
- Construction: December 2018 – January 2020
- Original Budget: \$35 Million
- Final Budget: \$43.5 Million
- No litigation or disputes encountered on this project.

The MOB Project was initially budgeted at \$35 million. During preconstruction we learned that there were challenges achieving everything Mason envisioned within the current budget. Mason responded and re-modeled their financial forecasts to determine if increasing the budget with capital revenue was possible, ultimately approving a \$4 million increase to the budget, for an overall budget of \$39 million. A portion of this budget increase was to fund the much needed parking lot alternate. During construction the hospital opted to allocate additional capital dollars to fund two projects that had been discussed and planned during preconstruction. The board elected to build out half of the shelled space on the lower

level (part of Alternate #1) to make room for additional service lines and staff, and approved the construction of a new data center in the MOB. Both projects had been planned during preconstruction, the build out of the shelled space was fully designed as well knowing this could be a need. Adding these two scopes to the project brought the total project value to \$43.5 million.

The MOB project was scheduled to be complete 3rd quarter of 2019, we extended the schedule through first quarter of 2020 after obtaining all necessary permits from the local AHJ. Mason Health worked closely with Skanska to resolve any concerns and costs associated with the extended schedule and keep the project moving forward. The final turnover of the MOB to Mason Health occurred on 1/29/2020, exactly in line with the revised schedule established in 2018.

SFM Building Renovation (PAC & Rehab Clinic Tenant Improvements)

Project Status: GC/CM Selection, Design

Planning, Design & Permitting: 2019 - 2020

Construction (Planned): April 2020 – October 2020

Original Budget: \$4 Million

Final Budget: TBD

No litigation or disputes encountered thus far on this project.

Mason Health plans to renovate both levels of the existing Shelton Family Medicine building in 2020. This was previously occupied by the SFM clinic, which now practices in the recently completed MOB (Mason Clinic). The two stories will be used for separate groups/functions; upstairs being converted to a business call center, and downstairs being converted to a Rehab/Physical Therapy unit (relocating and expanding from its current location inside the hospital). Both phases will occur with portions of the building being occupied during construction and require ongoing coordination with the Hospital.

Mason Health opted to go with GC/CM delivery for this project due to the phasing and complex coordination needs of the project, and because of the ongoing operations occurring in the building during construction. Mason Health issued an RFQ, and after receiving and scoring SOQ's from interested firms, we are interviewing the two shortlisted firms. They will also be providing a response to the RFFP. The project is anticipated to start in the second quarter of 2020, and complete fourth quarter of 2020. The projected budgets for these two phases combined total to roughly \$4 million.

Other Planned/Future Projects

Mason Health has engaged TGB Architects for a campus master planning effort just getting underway, with plans to submit a prioritized list of projects to the Hospital Board of Commissioners in August of 2020. It is anticipated that several of these future projects will qualify for GC/CM delivery. Areas identified in this Master Planning effort may include ancillary service departments such as Laboratory, Dietary, Materials & Receiving, etc. These projects could start as soon as fourth quarter 2020. The Master Planning efforts are intended to forecast critical campus needs for the next 5 years.

3. Personnel with Construction Experience Using the Contracting Procedure

(RCW 39.10.270 (3)(b)(ii) Limit response to two pages or less.

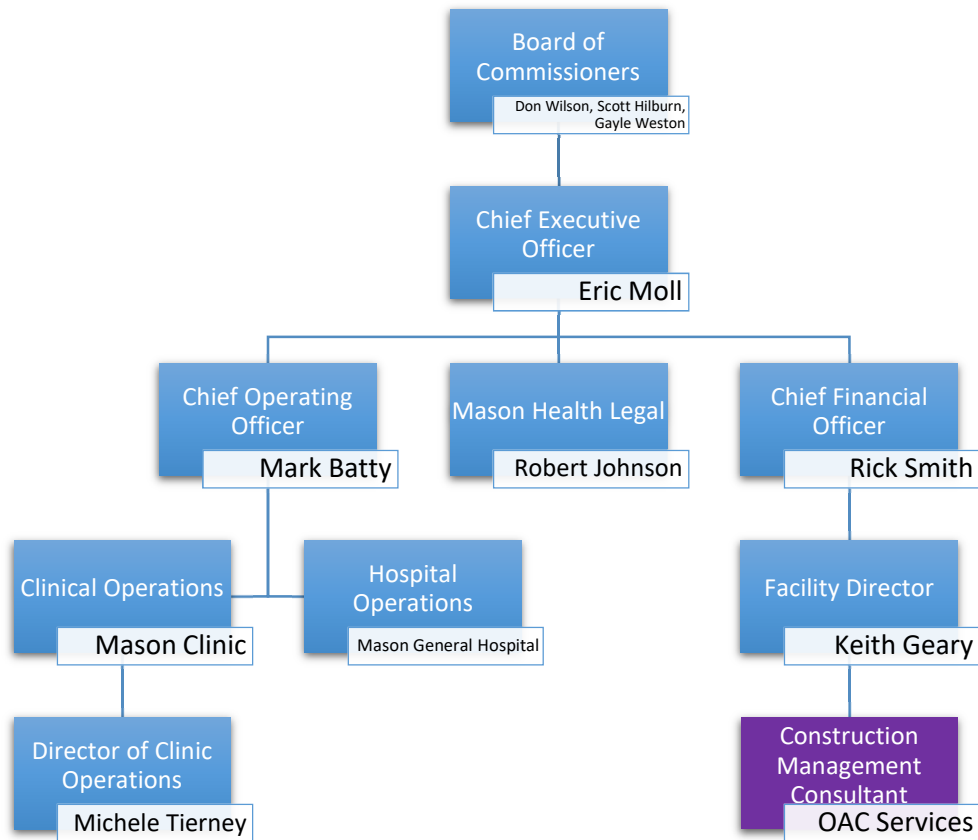
Please provide an updated matrix/chart showing changes in your agency's personnel with management and construction experience using the alternative contracting procedure(s) since the previous certification. Provide a current organizational chart and highlight changes since previous certification/re-certification. Do not include outside consultants.

RESPONSE:

See current matrix below. The main change since the previous certification is a new COO, and an organizational change with the completion of Mason Clinic. Refer to the updated organizational chart, showing a new leadership branch at Mason Health covering the clinics.

Mason Health Team Chart

NAME	POSITION	Years of Service:
Eric Moll	Chief Executive Officer	16 years
Rick Smith	Chief Financial Officer	8 years
Keith Geary	Plant Engineer / Facility Director	26 years
Mark Batty	Chief Operations Officer	1 year
Robert Johnson	Mason Health Legal Counsel & GC/CM Attorney, Johnson PLLC	30 years
Don Wilson	Mason Health - Hospital Board of Commissioners – Current President	31 years
Scott Hilburn	Mason Health - Hospital Board of Commissioners – Current Secretary	14 years
Gayle Weston	Mason Health - Hospital Board of Commissioners – Current Trustee	3 years



4. Resolution of Audit Findings on Previous Public Works Projects

(RCW 39.10.270 (3)(c)) Limit response to one page or less.

If your organization had audit findings on **any** public works project since the **PREVIOUS** certification/re-certification application, please specify the project, briefly state those findings, and describe how your organization is resolving them.

RESPONSE:

Mason Health has had no State Auditor’s Office (SAO) findings on any past public works projects.

5. Project Data Collection

Please provide a matrix listing all projects with a total value of greater than \$5 million, including projects with a design agreement or DB agreement awarded within the last 3 years. This list shall also include projects within the public body’s capital plan projected to start within the next three (3) years.

- Project Title
- Description of Project
- Agency’s Project Number
- Project Value
- Delivery Method *[DB, or GC/CM - either actual or as-planned]*
- Whether or not project data has been entered into the CPARB Data Collection System? *(RCW 39.10.,320 and .350) [Yes or No; if No, why not?]*
- Is the project complete *[Yes or No]*

RESPONSE:

Project Title	Description	Project #	Project Value	Delivery Method	DCS Entry?	Complete?
MOB – Mason Clinic	New Medical Office Building	4850.1282	\$43.5M	GC/CM	No, DCS no longer has a DCS online	No, Closeout
PAC/Rehab	New call center and rehab clinic TI’s	TBD	Anticipated budget \$4M	GC/CM	No, DCS no longer has a DCS online	No, Precon

*Other future projects TBD based on Campus Master Planning slated for completion in August 2020

6. GC/CM Self Performance *(complete only if requesting GC/CM re-certification)*

Responding to the 2013 Joint Legislative Audit and Review Committee (JLARC) Recommendations is a priority and focus of CPARB.

Please provide GC/CM project information on subcontract awards and payments, and if completed, a final project report. As prepared for each GC/CM project, please provide documentation supporting compliance with the limitations on the GC/CM self-performed work. This information may include, but is not limited to: a construction management and contracting plan, final subcontracting plan and/or a final TCC/MACC summary with subcontract awards, or similar.

RESPONSE:

Refer to tables below with project reports for the Mason Clinic (MOB) Project. We are currently working through closeout on this project and have forecasted the actual amounts based on the latest project invoice.

	Budget	Actual
Specified GC's	\$ 842,938	*\$1,000,450
NSS	\$ 1,168,043	*\$1,135,409
Fee (including Bonds, insurance, etc.)	\$ 890,365	\$1,137,246
GCCM Contingency	\$ 422,119	*\$331,244
*Project is currently in closeout, Actual amounts listed are forecasted through the end of the project.		

Subcontracting/Self-perform Data:

Bid package Type	Bid Package Budget Estimate Total	% of Bid Package budget Estimate by bid package type	Bid Total	% of actual bid by bid package type
GCCM Self-perform	\$ 4,318,850.00	21%	\$ 4,615,030.00	22%
Subcontractor	\$ 15,875,250.00	79%	\$ 16,540,217.00	78%
Bid Package Total	\$ 20,194,100.00	100%	\$ 21,155,247.00	100%

*The summary here is the breakdown of Self-perform vs subcontracted labor by amount and %.

7. Subcontractor Outreach

Please describe your subcontractor outreach and how the public body will encourage small, women and minority-owned business participation.

RESPONSE:

Mason Health encourages participation from disadvantaged, small, women and minority-owned businesses. When starting the GC/CM selection process, a portion of the RFQ is dedicated to the firm's approach to DBE/MWBE outreach. We want to ensure the GC/CM we partner with understands this is a priority and carries that enthusiasm through the subcontractor outreach and bid package buyout process.

Here are snapshots from the current RFQ for the upcoming PAC & Rehab TI's in the SFM Clinical building, related to Mason Health's approach to DBE/MWBE subcontractor outreach:

6.7 Tab 7 - DBE/MWBE Approach (2 points)

6.7.1 Provide your firm's plan related to the DBE/MWBE outreach during design and construction including coordination of materials procurement and subcontract work.

6.7.2 Provide examples of DBE/MWBE utilization on past projects.

*Tab 6 – Statement Of Qualifications Submittal Format

11.0 DBE/MWBE OUTREACH

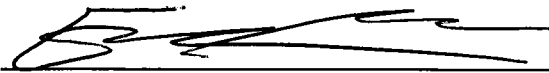
MGH encourages proposal from disadvantaged and women and minority business enterprises and outreach to these organizations as part of subcontractor bid packages on this project.

*Tab 11 – DBE/MWBE Outreach

SIGNATURE OF AUTHORIZED REPRESENTATIVE

In submitting this application, you, as the authorized representative of your organization, understand that the PRC may request additional information about your organization, its construction history, and the experience and qualifications of its construction management personnel. You agree to submit this information in a timely manner and understand that failure to do so may delay action on your application.

PRC strongly encourages all project team members to read the Design-Build Best Practices Guidelines as developed by CPARB, and attend any relevant applicable training. If the PRC approves your request for recertification, you agree to continue to provide data on such projects in accordance with RCW 39.10 data collection criteria covering the complete history of each of these construction projects. You understand that this information is being used in a study by the State to evaluate the effectiveness of the alternative contracting procedure(s). Public Bodies may renew their certification or re-certifications for additional three-year periods provided the current certification has not expired.

Signature:  _____

Name: (please print) Eric Moll

Title: CEO

Date: 4/1/2020

Mason Health
RECOMMENDATION FOR PROJECT APPROVAL
TO USE THE
GENERAL CONTRACTOR/CONSTRUCTION MANAGER (GC/CM)
CONTRACTING PROCEDURE
Internal Review Form

Project Name: _____

Project Cost: _____

Anticipated Construction Start Date: _____

In order to qualify to use the GC/CM contracting procedure, projects meet at least one of the following criteria:

1. Implementation of the project involves complex scheduling, phasing, or coordination, what are the complexities?
2. The project involves construction at an existing facility that must continue to operate during construction, what are the operational impacts on patients, patient flow, staff and Joint Commission that must be addressed. What are the potential impacts.
Note: Please identify functions within the existing facility which require relocation during construction and how construction sequencing will affect them. As part of your response you may refer to the drawings or sketches that you provide under Question 9.
3. Involvement of the GC/CM is critical during the design phase. Why is this involvement critical?
4. The project encompasses a complex or technical work environment. What is this environment?
5. The project requires specialized work on a building that has high level of sensitivity or significance to ongoing operation. Why is the building significance and what is the specialized work that must be done?

Provide a detailed explanation of why use of the GC/CM contracting procedure is appropriate for the proposed project, noting which criteria apply from the list above:

Public Benefit

In addition to the above information, please provide information on how use of the GC/CM contracting procedure will serve the public interest. For example, your description must address, but is not limited to:

- How this contracting method provides a substantial fiscal benefit; or
- How the use of the traditional method of awarding contracts in a lump sum (the “design-bid-build method”) is not practical for meeting desired patient safety, quality standards or delivery schedules.

GC/CM Delivery Method Recommended by:

Project Manager/Director

Date

GC/CM Delivery Method Approved by:

Eric Moll, Chief Executive Officer

Date

Mason Health
RECOMMENDATION FOR PROJECT APPROVAL
TO USE THE
GENERAL CONTRACTOR/CONSTRUCTION MANAGER (GC/CM)
CONTRACTING PROCEDURE

Internal Review Form

Project Name: Patient Access Center & Rehab Projects

Project Cost: \$4 Million Budget

Anticipated Construction Start Date: April 2020

In order to qualify to use the GC/CM contracting procedure, projects meet at least one of the following criteria:

1. Implementation of the project involves complex scheduling, phasing, or coordination, what are the complexities?
2. The project involves construction at an existing facility that must continue to operate during construction, what are the operational impacts on patients, patient flow, staff and Joint Commission that must be addressed. What are the potential impacts.

Note: Please identify functions within the existing facility which require relocation during construction and how construction sequencing will affect them. As part of your response you may refer to the drawings or sketches that you provide under Question 9.

3. Involvement of the GC/CM is critical during the design phase. Why is this involvement critical?
4. The project encompasses a complex or technical work environment. What is this environment?
5. The project requires specialized work on a building that has high level of sensitivity or significance to ongoing operation. Why is the building significance and what is the specialized work that must be done?

Provide a detailed explanation of why use of the GC/CM contracting procedure is appropriate for the proposed project, noting which criteria apply from the list above:

The PAC/Rehab projects qualify for GC/CM delivery method based on criteria 1 and 2. The project is phased, occupants on floor 2 will temporarily relocate to the first floor during construction, and then relocate to the 2nd floor upon completion prior to commencing work on floor 1. Also, construction will take place while adjacent portions of the building are occupied. The occupants will primarily be Mason Health staff, with one small clinic on floor 1 operating and seeing patients. GC/CM will enable us to bring on a firm that is qualified to perform work in an occupied environment, who can coordinate with us to ensure disruptions are minimized.

Public Benefit

In addition to the above information, please provide information on how use of the GC/CM contracting procedure will serve the public interest. For example, your description must address, but is not limited to:

- How this contracting method provides a substantial fiscal benefit; or
- How the use of the traditional method of awarding contracts in a lump sum (the "design-bid-build method") is not practical for meeting desired patient safety, quality standards or delivery schedules.

The traditional delivery method would come with risks that GC/CM would help us avoid and/or minimize. For example, design-bid-build encourages a lump sum, low bid approach which opens the door to contractors whom may not be qualified to perform the work. With the Patient Access Center functioning and scheduling appointments for the hospital and clinics, it is crucial that these staff continue working without disruptions. Bringing a GC/CM on early in the process with the right team and experience reduces the risks of downtime for the PAC staff, and allows us to continue serving the community.

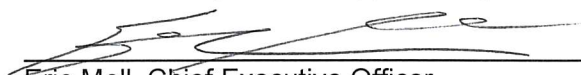
GC/CM also allows us to work with the selected firm to develop a coordinated schedule. Staff relocations must be planned so other hospital resources can be allocated at the proper times to support these scopes and moves. GC/CM delivery gives us the chance to interview the firm and ensure they have the right team, skillset and understanding of the organization's goals.

GC/CM Delivery Method Recommended by:

Brent Wilcox 
Project Manager/Director

1/13/2020
Date

GC/CM Delivery Method Approved by:


Eric Moll, Chief Executive Officer

4/1/2020
Date