

CAPITAL PROJECTS ADVISORY REVIEW BOARD

PROJECT REVIEW COMMITTEE

Northwest Carpenters Facility
First Floor Conference Room
25120 Pacific Highway South
Kent, Washington

MAY 25, 2017

Minutes

MEMBERS PRESENT

John Palewicz, University of Washington (*Chair*)
Rustin Hall, ALSC Architects (*Vice Chair*)
Vicki Barron-Sumann, BarSum Consulting, LLC
David Beaudine, Heery International, Inc.
Kurt Boyd, Valley Electric Company
Jim Burt, King County
Steve Crawford, Issaquah School District
Chuck Davis, Seattle Central College
Bill Dobyns, Lydig Construction, Inc.
James Dugan, Parametrix
Curt Gimmestad, Absher Construction

Howard Hillinger, Parametrix
Matthew Lane, McGranahan Architects
Jon Lebo, University of Washington
James Lynch, Ahlers & Cressman
Mark Ottele, Granite Construction
Darron Pease, Pease & Sons, Inc.
Linneth Riley-Hall, Sound Transit
Jeanne Rynne, The Evergreen State College
Yelena Semenova, Department of Enterprise Services
Mike Shinn, Shinn Mechanical
Janice Zahn, Port of Seattle

STAFF, GUESTS, PRESENTERS

Talia Baker, Department of Enterprise Services
Brian Carter, Integrus Architecture
Dan Curtiss, Skanska
Matt Finch, Edmonds School District
Valerie Gow, Puget Sound Meeting Services
Todd Horenstein, Vancouver Public Schools
John Lefotu, City of Spokane
Brian Lewis, Arlington Public Schools
Jason Limp, BNBuilders
Keith Livie, LSW Architects
Susan McCants, Osborne Construction Company
Lorne McConachie, Bassetti Architects
Stewart Mhyre, Edmonds School District
Marla Miller, Shoreline School District
David Mount, Mahlum Architects

Stephen Murakami, OAC Services
Robynne Parkinson, Thaxton Parkinson PLLC
Edward Peters, Edmonds School District
Drew Phillips, Forma Construction
Michael Romero, Shoreline Public Schools
Mark Serbousek, City of Spokane
Dan Stevens, Shoreline Public Schools
Anne Timmermans, Parametrix
Kyle Twohig, City of Spokane
Matt Walker, Hill International
Graehm Wallace, Perkins Coie
Michael Williams, Bayley Construction
Ralph Willson, LSW Architects
Taine Wilton, Edmonds School District

WELCOME AND INTRODUCTIONS

Chair John Palewicz called the CPARB Capital Projects Review Committee meeting to order at 9:03 a.m.

Chair Palewicz invited new members to provide self-introduction.

Edward Peters, representing the Edmonds School District, reported his term is scheduled to begin in July as a representative of public schools.

COMMITTEE BUSINESS

VICE CHAIR ELECTION – Action

Chair Palewicz reported Jon Lebo and James Dugan submitted letters of interest to serve as Vice-Chair. He invited additional nominations. Vice Chair Rustin Hall will assume the Chair position effective July 1, 2017.

Kurt Boyd inquired as to whether the Vice Chair would represent a public or private entity. Chair Palewicz said that traditionally, the PRC staggers appointments of private and public representatives as Chair and Vice Chair to serve different constituents. The PRC has no policy or procedure guiding the process. However, according to the bylaws,

appointments to the PRC must include a balance of private and public owners. Each position on the PRC represents a particular constituent.

Linneth Riley-Hall added that for many years, the committee typically followed the guidelines of CPARB for selection of the Chair and Vice Chair positions. The bylaws for CPARB specifically require the Chair and Vice Chair to represent both public and private sectors.

Chair Palewicz encouraged equal representation of members from eastern and western Washington serving in leadership roles.

Yelena Semenova arrived at 9:09 a.m.

Mike Shinn agreed that the committee's practice of alternating officer positions between private and public representatives has been an ongoing practice since the PRC was established.

Darron Pease agreed the practice has been verbally reaffirmed during each election.

Jim Burt asked about the possibility of formalizing the practice, such as amending the bylaws to reflect CPARB's process. Chair Palewicz advised of the need to update other provisions in the bylaws within the near term. Formalizing the process similar to CPARB could be included as part of the update.

Mr. Burt asked for clarification as to the practice to follow for the election of the Vice Chair. Chair Palewicz offered that since no formal guidelines exist, election of the Vice Chair could be at the discretion of members.

Curt Gimmetstad supported a balanced approach along with formalizing the procedures when the bylaws are amended.

Jeanne Rynne recommended retaining some flexibility because of unforeseen circumstances.

Ms. Riley-Hall recommended maintaining flexibility at this time. Dependent upon the outcome of the vote, members could pursue additional discussions on formalizing the process.

Howard Hillinger asked whether any situation existed where the PRC lacked a candidate from a specific sector.

Mr. Shinn said PRC leadership has always been balanced between private and public sectors.

Chair Palewicz commented that the CPARB appears to provide the PRC much latitude within the statute for members to determine the best way to perform tasks. Many of the PRC discussions have been referred to the CPARB only to be returned to PRC for resolution. CPARB members respect the committee and rely heavily on the activities and actions of the committee.

Rustin Hall added that although he understands the benefits of alternating the positions as a guideline, it could also be one consideration amongst many to include a review of the candidate's resume, experience, and personality. For example, Mr. Dugan's background includes both public and private experience. The committee has two fine candidates. He recommended continuing the discussion after the election, as he prefers refraining from following one legislative criterion, as there could be several nominations from the public sector but both might not be the right candidate to serve, which is why some flexibility might be warranted.

Mr. Hillinger agreed as many individuals move back and forth within their careers between public and private sectors. It is important for the person to have a balanced perspective. He always seeks the best talent to lead the committee and sometimes struggles in terms of the need to balance the positions between public and private sectors.

Chair Palewicz invited nominations for Vice Chair. No other nominations were offered.

Mr. Dugan spoke to his nomination. He shared that one of the greatest privileges has been participating on the PRC. The PRC is represented by many talented individuals from numerous industries. It is a privilege to serve and to be considered for the position of Vice Chair. Regardless of the outcome, serving on the PRC will continue to be a privilege. Because the PRC lacks a rule or a law requiring alternating positions, he asked the committee to review his background of several decades of experience in Design-Build (DB) delivery and an extensive amount of time managing the design side of bid work, as well as a General Contractor / Construction Manager (GC/CM). He has also spent an extensive amount of time on the owner side operating within the K-12 environment. He has been involved in billions of dollars of construction for K-12 facilities over the last several years. Future projects between Seattle Public Schools and Tacoma Public Schools will total several billion dollars in projects over the next year to 18 months. Ten years ago, GC/CM was a mystery to K-12 owners. Today, DB and Progressive Design-Build are just as mysterious as GC/CM was ten years ago. He asked members to consider the skill sets needed in a Vice Chair when considering the long-term future of DB and Progressive Design-Build in the K-12 school environment. He believes he has the background to serve as Vice-Chair. He thanked members for their consideration.

Jon Lebo echoed similar sentiments. Serving on the committee has been a privilege. He welcomes the opportunity to serve as Vice Chair. The PRC has two terrific candidates for the position. He would like to continue his involvement with the PRC. It would be an honor to serve the committee as the Vice Chair knowing that it would lead to the position of Chair. The role of the PRC is an important one and is why he wants to serve on the PRC and help lead the committee. The PRC has an important role for the state of Washington for alternative public works by promoting and monitoring activities of both certified agencies and proposed alternative delivery projects. He has much experience in alternate public works and has worked on GC/CM projects since the late 90s. He has completed over \$1 billion in public works projects with many involved in the MC/ECCM. He is proud of the work the University of Washington has been able to complete to help establish the practices that are used with other agencies. He was also one of the editors of the University of Washington's new design tool for Progressive contracts. Not only does he have GC/CM experience, he has experience in DB. He has also participated on a CPARB subcommittee for review practices associated with the alternative public works selection process for subcontractors i.e., mechanical, electrical. His involvement and experience helps the process. Mr. Lebo shared that he has also served as the vice chair and chair of the local planning commission for the City of Lake Forest Park. As any public commissioner is aware, a member is always involved with public comments and testimony to the Commission. He served two years as vice chair and is currently in his second term as chair. He likes the ability to act in the role of a non-participant because the chair's role is to facilitate the discussion to draw out public comments to ensure the process is non-partisan and the outcome is an efficient meeting. He is also familiar with Robert's Rules of Order. The PRC is a group to lead because of so many committed members. He welcomes a review of the bylaws, as there is an opportunity to update the bylaws. As a committee, members have the ability to monitor agency certification and should have the ability to monitor individual projects. He suggested the PRC should consider exploring that option. Mr. Lebo said he would be honored to serve as Vice Chair.

Mr. Shinn asked about the term of service remaining for each candidate.

Mr. Lebo said he was recently reappointed to a three-year term. Mr. Dugan reported his term expires in June 2019.

Members discussed the form of voting.

Mike Shinn moved, seconded by Kurt Boyd, to cast a paper ballot for the Vice Chair vote. Motion carried.

PROJECT UPDATES – Informational

Chair Palewicz updated members on the status of the Enloe Dam project. The project application for the Enloe Dam project from the Okanogan Public Utility District was originally considered by the PRC in December 2016. The PRC panel was chaired by Mr. Hillinger. The project was approved unanimously by the panel to use DB. The project involves an existing dam on a river that once supplied power to the region until the 50s-60s. When the Bonneville Dam began

providing power, the PUD determined that source of power would be less expensive than generating the power on the dam. Recently, the PUD applied and obtained permits to reactivate the dam to supply electrical power. The project would cost approximately \$40 million to re-energize and upgrade the dam to add another spillway and new electrical generating equipment. The DB delivery method appeared to be the right delivery method for the project because the equipment, manufacturing, and design were tied together. A number of people oppose the proposal and would like the dam removed. When the panel approved the project application, opponents of the project raised a number of issues. Only one avenue was available for the group to appeal the decision of the PRC. The opponents contended that proper public notice was not provided to local and neighboring communities near the dam. Normally, PRC publishes notices in the *Daily Journal of Commerce*. The opponents contended that was not sufficient for smaller rural areas. As part of a negotiated settlement with the opposing parties, the PUD, the Attorney General's Office, and DES agreed to reconsider the project application. In April, a special meeting was held with a new seated panel chaired by Curt Gimmestad. Because of the uncertainty of the number of individuals attending the panel presentation, DES followed protocols, issued appropriate notices, as well as contracting with a commissioned police officer who remained in the lobby. Approximately six citizens attended the meeting to offer testimony. One citizen extended testimony beyond the allotted time. After the presentation and testimony, the panel unanimously approved the project for DB. During the last CPARB meeting, members adopted a policy on the process for appeal and public notice for projects.

Talia Baker added that the Board developed and approved a policy of guidelines for processing an appeal. The Board is scheduled to include the new policy within the bylaws, which provides more authority for the CPARB Chair to schedule special meetings when required.

Chair Palewicz reported the opponents have officially appealed the PRC decision to CPARB. During the appeal, the opponents are limited only to the information presented to the PRC panel. Prior to the PRC panel, approximately 168 written comments were submitted. Chair Palewicz reemphasized the importance of considering all public comments during meetings and panel presentations.

Ms. Zahn noted that public comments received during a panel presentation should relate to the criteria and the responsibility of the PRC to ensure the project meets the requirements for approval of the delivery method. Although the PRC could acknowledge other public comments outside those parameters, the panel is not obligated to consider those when considering the project application.

Ms. Riley-Hall said the second PRC panel clarified that the applicant was seeking approval to use the alternative delivery method. The other issue outside of the PRC's purview was whether the project was in the best interests of the community. Panel Chair Gimmestad did a good job of clarifying upfront that the panel's authority was only to evaluate the alternative delivery method. Additionally, one of the public comments spoke to traveling at great length only to have two minutes afforded for testifying. In that person's opinion, two minutes was not sufficient or fair. She suggested members might want to review the issue and consider whether to afford some flexibility to increase public testimony to five minutes when circumstances warrant.

Chair Palewicz added that the PRC also afforded the option for citizens to participate by telephone and through WebX. Additionally, the Attorney General's Office advised PRC that comments could be limited to two minutes.

Mr. Shinn reported he was a member of the second panel and most of the comments did not center on the PRC process but on the environment and fish. It appeared the group used the PRC as a sounding board instead of meeting directly with the PUD to share concerns.

Chair Palewicz emphasized the importance of considering all public comment either verbal and written while acknowledging that it is also important to consider only those comments that are related to the authority of the PRC.

Mr. Burt reported that as a member of the second panel, members should consider that most of the projects reviewed by the PRC are funded by a public agency through state funding, levy, or a bond. This project was unique as the PUD was

self-financing the project. He questioned whether the dam could generate sufficient revenue to finance the capital bond. The PRC should consider the issue of whether there is adequate funding for a project.

Mr. Shinn agreed with the sentiment while acknowledging that funding of a project is not within PRC's purview.

Mr. Davis noted that one of the factors the panel evaluates is benefit to the public. A project is supposed to provide a fiscal benefit to the public for using alternative public works. He agreed with all comments, but noted that the authority of the PRC is narrow and related to whether the alternative method is appropriate for the project and whether the agency can complete the project successfully.

Chair Palewicz said another aspect of the appeal was the filing by the opponents to convert the PRC meeting to a judicial hearing with attorneys and witnesses. CPARB denied the request.

Mr. Crawford agreed with the sentiments that the charge to the PRC is very narrow. The PRC must consider whether the project and the team are viable for using an alternative contracting method. It is not the committee's position or duty to determine whether the project could be accomplished by a standard public works process.

Chair Palewicz added that the Board was very supportive of the efforts by the committee.

Mr. Boyd commented that the PRC process considers whether the applicant can execute the project. There is a component in terms of the budget and the percentage of contingencies, which is why that information is included in the application, which could be the premise for considering whether the project can be properly executed.

Mr. Crawford agreed because it also relates to whether or not the project is appropriate for an alternative contracting method as proposed by the applicant. It is not a question of whether the project should be constructed as the agency could use standard public works contracts to proceed with the project without appearing before the PRC.

Mr. Lebo agreed in terms of the budget and financing to the extent that the financing appears to be reasonable and not whether the PRC must determine whether financing is sufficient other than the applicant has demonstrated the agency has a process of developing the funding and that the budget is a realistic budget for the project. It is really a decision about alternative public works versus standard Design-Bid-Build and not necessarily the merits of the project itself. He complimented Mr. Gimmestad for chairing the panel. Ms. Riley-Hall's comment was appropriate in terms of the amount of time the PRC allows for public comment because as a public committee it's important to receive the trust of the public. Affording some flexibility to extend public comments might be beneficial and provide some sense to the public that their comments are being considered. He agreed the public comments were generally not specific to the criteria the PRC considered but that sometimes individuals want to be heard. In these instances, the PRC is challenged by an erosion of public confidence in government. It is important for the PRC to establish trust as a public committee.

Ms. Zahn suggested the committee consider extending the period for public comments.

Mr. Hillinger recommended clarifying any ability to extend public comment periods or the panel session within the bylaws to provide guidance to panel chairs.

Chair Palewicz announced the results of the vote. Mr. Lebo received 14 votes and Mr. Dugan received 8 votes. Chair Palewicz congratulated Mr. Lebo on his election as Vice Chair.

Chair Palewicz recessed the meeting from 9:54 a.m. to 10:02 a.m.

EDMONDS SCHOOL DISTRICT – RECERTIFICATION FOR GC/CM

Chair Palewicz reviewed the presentation and timing format to consider the GC/CM recertification application from Edmonds School District. A quorum of the PRC was present. Members present included Yelena Semenova, Matthew

Lane, Mark Ottele, Jim Burt, Bill Dobyns, Mike Shinn, Jim Dugan, Kurt Boyd, Howard Hillinger, Chuck Davis, Steve Crawford, John Palewicz, Rustin Hall, Jeanne Rynne, Linneth Riley-Hall, David Beaudine, Jon Lebo, Darron Pease, Curt Gimmestad, Vicki Barron-Sumann, Janice Zahn, and James Lynch.

Presentation

Stewart Mhyre, Executive Director Business & Operations, Edmonds School District, introduced Edward Peters, Capital Projects Director, Matt Finch, Design & Construction Manager, and Taine Wilton, Design & Construction Manager for Edmonds School District.

PRC certified the same team three years ago. Today, the team has gained significantly more GC/CM experience and training. Since certification, the School District has continued its decade-long record of delivering promises for quality facilities on time and on budget. The School District's measure of performance is approval by the voters of the past 10 funding measures. The long-term plan is seeking approval from voters in 2020 and 2026 for bond measures.

Edward Peters reported that since certification, the School District in-house staff has greatly increased its GC/CM experience. Since initial certification, the School District scheduled seven GC/CM projects, completed three projects with three projects scheduled to begin in the summer and one project currently in the design phase.

Mr. Peters shared some lessons learned. First, only consider the GC/CM delivery method if willing to invest efforts and work because the GC/CM delivery method is not the same process as Design-Bid-Build. GC/CM has a steep learning curve. Secondly, there is enormous value in securing the GC/CM as early as possible and before schematic design. Finally, if the process is pursued appropriately and the tools are utilized to the extent possible, GC/CM will maximize value for all parties. The School District has been able to achieve the second 10% of improvements to projects by having all parties involved at the onset. The School District has worked with a number of GC/CMs and architects.

Matt Finch, Design and Construction Manager, said the School District values the hiring of the GC/CM early in design. One of the main reasons is the emphasis on a collaborative cost-estimating approach. One of the very first tasks of the GC/CM and the design team is hosting a target value charrette to establish the GMP, which has proven to be an extremely valuable tool throughout the entire design phase of all the projects. It is used to help clarify scope and budget and is often used consistently throughout the process on a real-time basis. One example is the Lynnwood Elementary School project. Some early design assumptions utilized the existing gym building with the addition of new construction. Following further vetting with GC/CM input and the design team, the original design assumptions were proven incorrect requiring relocation of the existing building and construction of a new building resulting in cost benefits and programming enhancements.

The School District stresses and works closely with the GC/CM and the design team in the use of BIM early in the decision-making process. For the Lynnwood Elementary School project, the GC/CM and the design team were able to estimate costs. The School District used the tool to complete gross square footage takeoffs to determine real-time costs to inform decisions. The process is beyond the traditional BIM approach and has proven to be extremely valuable as it helps to bridge the gap between the design team and the cost estimator.

The original bond measure identified Spruce Elementary School as a modernization project. Following due diligence by the School District through various studies and program assessments, it became apparent modernization would not be the right solution. A full replacement on the existing site was deemed the better choice. The School District proceeded with a full replacement design and hired the GC/CM early. The School District did not secure the necessary funds to complete the project; however, efforts are underway with the GC/CM and the design team to identify a phased approach to provide the school with a feasible programming option with the ultimate goal of a full build-out in the near future.

Taine Wilton, Design & Construction Manager, shared information on three of her projects for the School District. The Madrona K-8 School Replacement project is scheduled to begin construction soon. The project benefitted from the early involvement of the GC/CM during pre-design. The project began with a cost charrette to establish the target GMP. The

BIM process was used for take-offs. Models were prepared to enable a systems approach. As cost models were developed, the team identified over budget systems, which enabled refinement of the models to align with the budget. The selected model met the cost target and the program. With establishment of the scope of work, the team collaboratively was able to accelerate the project schedule by a year. The project has one GMP, as a way of streamlining all documents going forward to include, pay apps, schedule of values, contingency usage, audit procedures, and project closeout. The design team was able to maintain quality across the documents despite today's bidding climate. Some bids were higher with a majority of the bids within the budget. The project involves multiple phases. The main project is scheduled for completion in July 2018 with students starting the school year in September 2018. The second phase will end in October. Working with the permitting jurisdiction has been a lesson learned with the other projects by enabling a better understanding of phased construction and allowing temporary occupancy.

The Alderwood Middle School Replacement and the Lynndale Elementary School Replacement projects have been completed. One of the major lessons learned was the quality the GC/CMs brought to the process. Both GC/CMs were hired during schematic design and were able to work with the School District and the design team to accelerate the schedule by nine months reducing escalation costs. The result was two GMPs with the GMPs before the building permit was issued enabling Alderwood construction during summer months and demolition activities for the Lynndale Elementary School project. Both projects were constructed during the wettest winter on record, which is a testament to the quality and control of the situation by the GC/CMs. Both projects were completed on-time. The use of EC-MC/CM procurement for the Alderwood project was beneficial in maintaining the schedule. The GC/CMs were able to control subcontractors with subcontractors attending OAC meetings and reviewing and resolving issues before they could escalate.

The Lynndale project was located in the same jurisdiction as the Maintenance Transportation project, which benefitted from those lessons learned by engaging the jurisdictions early and often. The GC/CM worked well with the local jurisdictions. The project was on schedule and opened on time.

For all projects, the School District receives monthly progress reports from the GC/CM, is able to review a three-week look-ahead within the program to review logic and receive negotiated support service invoices in a shared file to review and accelerate the process of verification and payment. For the Madrona project, a different approach was receiving rental rates and insurance rates at the onset of the project to expedite the audit process for on-time closeout.

Both GC/CMs partnered with the School District throughout the process and participated in the successful opening of the schools on time.

Mr. Peters referred to written responses to the PRC's prior questions. Questions 1 and 2 sought additional information about the completed projects since certification, which has been provided. Question 3 pertained to the use of different criteria for selection of a delivery method. Budget is a factor, but it is essentially a subsidiary to the considerations of the characteristics and scope of the project. Most of the School District's projects fall into two categories of very large school replacements and a large number of small systems upgrades (*roofs, fields, HVACs, etc.*). Small system upgrade projects are typically completed by the traditional Design-Bid-Build method with several of the projects possibly a good candidate for using an alternative delivery method.

Written information was provided for question 4 regarding lessons learned for each project with each project manager providing additional information during the presentation on specific projects. Mr. Peters thanked members for the opportunity to present the application.

Chair Palewicz invited members to ask questions of the applicant.

Mr. Hall asked for an example of a process that encountered problems of the three most recently completed projects. Ms. Wilton replied that for all the projects, unsuitable soils were encountered despite geotech analysis and other sampling. That situation occurred on both the Alderwood and Lynndale projects. The most successful aspect of that process was the

ability for the GC/CM to hire an earthworks contractor early to discuss the issues and resolve what should have been anticipated. Peat bogs under buildings were never anticipated; however, unsuitable soils within a soil mound were also an unknown and prevented reuse. Some of those issues resulted in a change order. To some extent, some of those problems should have been expected. That amount was applied to the MACC contingency. Essentially, it was about understanding how the budgets could be used in those situations. The part that did not go well was the length of negotiations through some of the issues. Ideally, the issues would have been resolved sooner. The objective was completing the building during the summer months for the Alderwood project. Initially, the project started with problems but ended with a good project.

Mr. Finch added that the same soils issue occurred during the Mountlake Terrace Elementary School project. The GC/CM also hired an EC/CM for the Lynnwood Mountlake Terrace project as the projects were combined as one GC/CM project. Hiring the EC/CM earlier would have been beneficial. The hiring occurred after the initial GMP target was established. Mechanical bids received were within the realm of the target. Some adjustments were required as well as more time and effort, which speaks to the benefits of earlier collaboration and involvement of the EC/CM.

Ms. Riley-Hall asked how the applicant ensures that lessons learned are applied to all projects throughout the School District. Mr. Peters described the open office and collaborative atmosphere at the School District. The office is successful as all personnel are cross-involved in projects each day along with weekly formal staff meetings to discuss the status of projects with both department personnel and other personnel in the School District. Documents used in the selection of the GC/CM are circulated throughout the School District, as well as the contract documents. All department personnel review the documents as a way to share lessons learned.

Mr. Finch added that School District staff meets with the GC/CM and the design team to learn how to apply lessons learned to the next project.

Ms. Wilton noted said some projects that are in the bid process simultaneously often include meeting with all the GC/CMs to promote a collaborative bidding process.

Mr. Dobyms asked how the School District evaluates whether EC/CM would be beneficial for a project. Mr. Peters said the process is relatively new, as it has only been used for two projects. Typically, the process is in collaboration with the design team and the general contractor. For the Madrona project, the GC/CM was uncomfortable pursuing EC-MC/CM even though it was a reasonable method for the project. Because a key party did not support the method, the School District elected not to pursue EC/CM, whereas on the Lynnwood and Mountlake Terrace projects, the GC/CM believed there would be value in pursuing EC/CM. The decision is based on a combination of many factors.

Mr. Finch commented that the Lynnwood and Mountlake Terrace projects were bundled to gain as much efficiency as possible. It proved to be valuable to have the GC/CM early as well as the EC/CM to help identify ways to gain more efficiencies within the different systems as both projects are very similar.

Ms. Wilton said that during construction, the School District was experiencing some savings. The GC/CM was able to evaluate whether to proceed with EC/CM. For the Alderwood project that included the EC/CM and the MC/CM, the project benefitted by including infrastructure to afford future changes. When it was time to install stage lighting as an alternate add, the only change was the additional cost rather than having to add infrastructure to accommodate the request.

Ms. Zahn asked about the relationship between the GC/CMs and designers and whether they have worked together previously, their relationship, and the method to build the team at the onset. Mr. Peters responded that it begins during the selection process by clearly conveying the goals of the team to the GC/CMs and the designers. Involvement of the designer and the GC/CM early provides opportunities to share ideas. Some of the teams have worked together on other projects. The architect is always a member of the selection panel for the GC/CM or serves as a member on panels when the delivery method has not been determined.

Mr. Davis cited the School District's experience with alternative delivery methods as well as traditional delivery methods. As this is his last meeting as a member of the PRC, he recognizes the value of alternative delivery methods. He asked the team to share their opinions on whether alternative delivery methods should be mainstreamed by removing "alternative" from the description. Mr. Peters responded that his colleagues believe he is an advocate for GC/CM, which he is not, but he is an advocate for improving project delivery. Today, GC/CM is the best tool to achieve that outcome. He referred to his previous comments on lessons learned and believes the School District would benefit, as it would reduce transaction costs; however, the GC/CM delivery method is a lot of work as the process is not self-running. In the early days of experimenting with GC/CM, a number of individuals misunderstood the process, believed the process was self-driven, or that it was some kind of magic bullet. Many believed that by having a GC/CM, everything would be fine. However, many had to face reality that it was not true. He would like to see GC/CM move in that direction, but it needs to move cautiously.

Mr. Finch added that one of the true benefits is having the contractor involved during design. In all projects, the School District has experienced tremendous program enhancements that wouldn't have been identified in a Design-Bid-Build environment. The early involvement of the GC/CM has been a huge benefit for the School District.

Mr. Peters noted that one of the changes he has witnessed is an increase in the number of GC/CM practitioners. The delivery method has been a learning curve for everybody. The School District's first GC/CM project was Meadowdale Middle School, which opened in 2011. The project was very successful and the team learned many lessons. The School District has strived to move more in the direction of integrated design and ways to achieve that outcome. Today the School District has a good model.

Chair Palewicz invited public comments.

Dan Curtiss, Project Executive, Skanska USA, described his experience working with the School District. He has constructed two projects for the School District involving Meadowdale Middle School and Alderwood Middle School. Both projects were phased and logistically challenging on an occupied campus. Both projects dealt with two market swings in 2008 and today. Both projects drove the need for GC/CM. There were many lessons learned throughout the process. Today, Request for Proposals (RFPs) released from the School District are much better. The experience can be seen in the RFPs, the contracts, and the School District process. The School District environment is very GC/CM proactive and embodies the spirit of how GC/CM is transacted. The School District leverages the RCW to the fullest extent possible to ensure the projects are successful. The Edmonds School District selects its consultants and sub-consultants based on its GC/CM experience. The team, with an experienced GC/CM and people doing the work make it difficult not to have a successful project or follow the rules of the GC/CM process. He has much experience working with the School District on projects and supports the agency's recertification.

Brian Carter, Integrus Architecture, said he is currently working on his sixteenth and seventeenth GC/CM projects. The School District has tremendous depth of experience in its portfolio. He has never witnessed the School District attempt to use GC/CM on an inappropriate project. The School District's decision-making as to the delivery method has been very good so far. To whatever extent anyone can be an expert, the Edmonds team has demonstrated the same breadth of tremendous experience as demonstrated last time before the PRC. The team today has a better understanding. What sets this group apart from many groups he has worked with is that they do not consider themselves as experts, but rather they consider themselves as students. That message was conveyed in Mr. Peter's response to the last question. In spite of the internal expertise, the School District is never shy to reach out to the best expertise available in both private and public sectors. The beauty of GC/CM as everyone is aware is that it allows a public agency to manage risk moving forward. The School District has demonstrated to its constituents that it can deliver on what is promised, which for school districts is very important for moving capital projects forward. The School District has a long range facilities plan and intends to ask the community in 2020 and in 2026 to approve more projects. The GC/CM delivery method has allowed the School District to deliver on promises and positions the School District for future success.

Lorne McConachie, Principal, Bassetti Architects, said his firm has been working with the Edmonds School District for the last 25 years on both Design-Bid-Build and GC/CM projects. The firm has been involved in 18 GC/CM projects. This is the first time the firm has been involved with two concurrent GC/CM projects with the same contractor, which has created some advantages in terms of contrast and comparison of systems, materials, and details. Continuous involvement has been very helpful in maintaining project budgets in a very volatile bid climate. The involvement of mechanical and electrical in the GC/CM process has been helpful in terms of maintaining budget control in today's dollars. Many projects are experiencing difficulties in securing subcontractors or receiving reasonable bids. Subcontractors have been involved in the process and in some of the systems selections to help move the project through the design process and construction.

David Mount, Mahlum Architects, reported his firm has participated in GC/CM projects for approximately 20 years with school districts, universities, and other public agencies. He most recently had the opportunity to work on two projects with the Edmonds School District. The two projects were GC/CM projects. He supports recertification of the School District for agency status in GC/CM. Under the leadership of Mr. Peters, the School District has created a team that has fully embraced the opportunities that the GC/CM process has to offer. Mr. Peters often refers to the process as GC/CM 2.0. Based on his experience, each project is 2.1 or 2.2, as the School District continues its learning process. The School District team includes project managers, legal counsel, expert consultants, and the design team. They all contribute a level of experience but also collaboration to the process. Mr. Peters has intentionally created educational opportunities throughout the School District through the Director of Business Operations, Director of Student Learning, the Edmonds School Board, Principals, and community members on the benefits and value of the process for projects that benefit from the GC/CM delivery method. As part of the team working with the Edmonds School District, his firm continues to analyze what works and did not work. The team worked through a process of optimizing the delivery method. The projects serve as opportunity for continual learning. The goals as stated by Mr. Peters in terms of the GC/CM delivery method include an environment of collaboration, team problem-solving, risk management for all parties, and fairness while continuing to deliver the best value to the School District and to the public. During the process of selecting a general contractor, Mr. Peters invites the architects and the entire team to participate in the selection process. In both cases, the firm had the opportunity to short list general contractors that do not bring a great deal of experience in GC/CM but demonstrate the qualities that would make them effective and compatible partners. Through this process of selection, it has expanded and enhanced the experience by general contractors that will benefit all agencies utilizing GC/CM.

Jason Limp, Project Executive, BN Builders, said he is currently working on four GC/CM projects with the School District. His company had the opportunity to work with other school districts throughout the state to include University of Washington, Seattle School District, and other school districts. The company has worked closely with the School District over the last four years and has assessed how the district's process has evolved moving forward. The School District constantly seeks ways to improve the process. His company competed on several different projects with the pool of different and diverse contractors. The School District is very transparent in the bid and selection process through scoring and debriefs. During the early phase of the project, the School District strives to bring the GC/CM onboard as early as possible. The School District is achieving some benefits on the back end with fewer RFIs and changes and coordination issues that contribute to the control of costs, shortened schedules, and a better product for the district. The company has enjoyed the working experience with the School District and for its transparency. The company strongly supports the School District's recertification.

Stephen Murakami, OAC Services, reported he previously served as the Chief Operating Officer for Tacoma Public Schools and now works with the Lake Washington School District. Both agencies have received agency certification for GC/CM. During the 20 years of his involvement in design and construction, the Edmonds School District has always been at the leading edge of an innovation process and in products delivered. Mr. Peters had led the way for many of the districts. Both Tacoma Public Schools and Lake Washington have followed the School District's lessons learned. Not only has the Edmonds School District leveraged this option to improve value and quality in its products, the School District uses it as an opportunity to share, as he is not aware of any GC/CM K-12 panel that does not include Mr. Peters. He has been a voice, and although not necessarily championing the GC/CM process, he has ensured that all school districts learning to use alternative delivery methods understand the impacts and opportunities. Mr. Peters, the Edmonds

School District, and staff have set the bar for K-12 districts in the state. He supports recertification of Edmonds School District.

Drew Phillips, Forma Construction, said he competed for a GC/CM project for the Edmonds School District. His company lost four bids. After requesting a debriefing, he met with Mr. Peters for approximately one hour. The meeting was encouraging as Mr. Peters shared information on expectations, tone, and the process for directing teams through the GC/CM process. Since that time and with experience gained in GC/CM, the company has grown. He thanked Mr. Peters for his insights.

Chair Palewicz invited deliberation and a recommendation by members.

Ms. Zahn remarked that she was impressed with the public comments, especially the comment about the School District giving back to the community of K-12 and being on panels because that information was not included in the presentation. It is important for the School District to contribute to the community.

Mr. Lebo commented that it was a pleasure to receive the presentation and to hear the public comments from many architects, contractors, and other school districts share information on the value of GC/CM and how the Edmonds School District has leveraged its team in an outstanding program in terms of product delivery and management of projects.

Mr. Pease said the presentation was excellent. It would have been easy for the School District to take the recertification process for granted; however, the applicant did not take it for granted and succeeded with an informative presentation and back-up support.

Mr. Boyd said his questions were answered. He also agreed that the presentation was good. He has previously worked with Ms. Wilton. His concern surrounded the number of projects completed during the previous certification period and four future projects scheduled simultaneously. Those projects will need to be managed simultaneously from schematic phase through construction. Public comments somewhat assured him that the School District is able to manage four teams.

Mr. Dugan commented on the importance of having the design teams and general contractors together sharing the same opinions about alternative delivery processes. He believes the School District stands on its own with its own creditability based on the presentation and the data. The presentation was outstanding. He also appreciated the audience and the caliber of the individuals testifying on the behalf of the School District.

Ms. Riley-Hall agreed the presentation was excellent and that the public comments supported the messages conveyed within the presentation. It was important to hear the support for the School District. Additionally, the School District shares information on lessons learned from project to project. Lessons can often get lost by an agency, which speaks positively for the School District. She encouraged the School District to continue to share lessons learned.

Mr. Hillinger commented on the difficulty of finding any fault with the presentation as it covered every point. It was very helpful to hear that everyone is a "student" because if the process is to be effective, everyone must continue working on it and sharing knowledge and lessons. It is incumbent on agencies that are certified to share the information to help build capacity in the industry.

Mr. Crawford commented that as noted previously, the critical issue for many school districts is the successful completion of capital projects to ensure successful passage of bonds and support by the community. Edmonds School District and Mr. Peters' team have a long history of successful projects and successful completions within the alternative work arena. As everybody has noted, the School District has demonstrated a strong history from its presentation and he supports recertification of the School District.

Mr. Crawford reported that the CPARB has expressed interest in identifying and obtaining more information through the PRC process, particularly with respect to lessons learned on projects. Today, the PRC is seeing more of that as it speaks to a good trend that should continue to ensure lessons learned are conveyed to others and to the CPARB.

Ms. Barron-Sumann commented that the meeting is her last meeting as a member of the PRC. She enjoyed the experience tremendously and supports recertification.

Vicki Barron-Sumann moved, seconded by Linneth Riley-Hall, to approve Edmonds School District Recertification for GC/CM. Motion carried unanimously.

Chair Palewicz recessed the meeting at 11:01 a.m.

CITY OF SPOKANE, POST STREET PEDESTRIAN & UTILITY BRIDGE – *Design-Build*

Panel Chair Rustin Hall reviewed the presentation and timing format to consider the DB application from the City of Spokane for the Post Street Pedestrian & Utility Bridge project. The following panel members provided self introduction: Janice Zahn, Jeanne Rynne, Rustin Hall, John Palewicz, Chuck Davis, and Kurt Boyd.

Other members present but not serving on the panel were James Dugan and Mark Ottele.

Kyle Twohig, Engineering Operations Manager, City of Spokane, presented the Post Street Pedestrian and Utility Bridge project for project approval for Design-Build alternative delivery. Mr. Twohig introduced key team members John Lefotu, Robynne Parkinson, Matt Walker, and Mark Serbousek.

Mr. Twohig displayed an artist's rendering of the proposed new bridge. The Post Street Bridge is a concrete arch span bridge celebrating its 100th year anniversary. The bridge, built in 1917, is severely deteriorated and unable to accommodate load limits on some sections of the bridge. Because of load limits, fire trucks, buses, and other large vehicles are unable to use the bridge. The bridge serves as a major link to downtown Spokane and provides vital peak hour traffic relief. The bridge is one of five downtown core bridges and houses a non-redundant sanitary sewer main as one of the City's major backbone interceptors comprised of a 54-inch main crossing the river to move effluent from the south side to the north side of the river and to the treatment plant. The effluent cannot be bypassed for any length of time because of the volume of flow within the pipe. The project includes upsizing the 54-inch pipe to a 60-inch pipe and upsizing water infrastructure, power, and telecommunications lines under the bridge. Another critical element of the bridge is the Centennial Trail segment, one of the largest tourism assets for eastern Washington and northern Idaho. The trail is the single most visited asset in the community, bringing millions of visitors to the region. The bridge is a critical component of the trail system.

Mr. Twohig displayed a map of the project area and the downtown core. The project site is centrally located and adjacent to City Hall, the downtown mall, Spokane Veterans Memorial Arena, and the courthouse. It is also adjacent to several CSO tank projects that are nearing completion. The project will overlap with the CSO tank projects, as well as the Riverfront Park Investment project. Several years ago, voters approved a bond measure to renovate Riverfront Park for the first time in over 40 years. Currently, four active projects are underway with several more active projects in construction.

Mr. Twohig introduced members of the team. Team members are supported from the top down by City Manager, Theresa Sanders, the Mayor, and the City Council. The administration supports alternative delivery with the project serving as the City's fifth alternative delivery project. The project is supported by the Director of Public Works, Scott Simmons. Mr. Twohig reported he will serve as the Principal in Charge for the project as the Engineering Director for the City. He has participated in all City alternative delivery projects.

The City's Bridge Engineer, Mark Serbousek, will serve as the Project Manager. Mr. Serbousek has over 30 years of relevant experience in bridge inspection, design, and construction management and is very involved in the City's streets

and transportation infrastructure. City supporting departments include Purchasing, Risk Management, and the legal team. Several key team members include the City's Design Engineer, Lisa Malstrom and Senior Bridge Engineer, Dan Buller. External support will be provided by Robynne Parkinson with Thaxton Parkinson PLLC, an expert in DB contracting and procedures. Ms. Parkinson has worked very closely with Washington State Department of Transportation (WSDOT) to develop the agency's DB practices.

Matt Walker with Hill International will serve as the DB Advisor throughout the entire project. John Lefotu with Hill International will serve as the Bridge Advisor. Mr. Lefotu has an extensive bridge background with WSDOT and as a consultant on WSDOT projects.

Mr. Serbousek reviewed the project site and the project budget. Riverfront Park is undergoing a total renovation. The bridge project is part of the final park renovation project. Nearby is the Washington Water Power Building, a historic building serving as the headworks for the dam. Veterans Memorial Park is located on the north side of the river. The sewer line must remain operational during construction, which speaks to the importance of seeking an innovative and proactive DB team to pursue great ideas.

The project budget is \$11.3 million with \$10 million from the Utilities Department and \$1.3 from a Section 129 federal discretionary fund for trails. The trail segment is very important to the community because it serves as one of the last main Centennial Trail segments across the river. Approximately \$8.3 million is for construction costs with contingencies as required by the RCW of \$477,250. A TS&L (Type, Size and Location [preliminary design report for a bridge or highway structure]) report was completed by a consultant to confirm budget numbers to ensure the scope of the project was within the budget.

Mr. Serbousek reviewed the project schedule. If the PRC approves the application, the DB Request for Qualifications (RFQ) is scheduled for release on June 1, 2017. As the DB is a new public works delivery process for WSDOT, the agency is working closely with WSDOT on the RFQ to ensure all parties are on the same page with respect to the RFQ. The schedule is aggressive with RFQs due on June 28, 2017. A shortlist is scheduled for release on July 12, 2017 followed by issuance of the RFP on July 17, 2017. Selection of the DB is scheduled for September 12, 2017 with a notice to proceed issued on November 20, 2017. The construction phase is from October 2018 through December 2020 to coincide with the completion of the park renovation project. As DB is new for WSDOT, the schedule is preliminary at this point as there likely will be several more iterations of the schedule from WSDOT.

Matt Walker, DB Advisor, Hill International, reviewed the two-step procurement approach. The RFQ will seek applicants with successful experience with bridge projects of similar scope and complexity, team organization, and experience in developing CMP collaboratively with the owner. The shortlist will include up to five finalists. After selection of the short-list, the agency will release the RFP. Primary emphasis of the RFP will be on the project-specific management approach for the project, innovation, and problem solving skills and opportunities. Interactive proprietary meetings will be held with each applicant. The team is currently working on price-related factors with the intent of not seeking a significant design submittal for the project. The honorarium for the project is between \$5,000 and \$10,000.

Robynne Parkinson, Attorney, Thaxton Parkinson PLLC, reviewed elements of the DB Agreement. The team is working with WSDOT on the DB Agreement. She spent last year working with Hill International on the company's evaluation of a project for the Legislative Joint Transportation Commission to review WSDOT's DB Best Practices. Over the last four months, she has reviewed WSDOT's DB practices and is assisting in the creation of internal training programs. The intent of the DB Agreement is to ensure the agreement works for both parties to ensure approval from the Federal Highway Administration (FHWA) for release of the funds. The agreement will differ from other Progressive DB projects and likely will be a hybrid agreement to ensure it meets all federal requirements. The agreement will include a validation period to develop the GMP. DB is essential for the success of the project because of several factors. One is the sewer line and marrying the means, methods, and the design. The City is seeking innovation in the design to minimize impacts on surrounding areas and the sewer line and water resources. Collaboration on the design, means, and methods will reduce

costs and the schedule resulting in significant fiscal benefits. The primary reason for DB is working through the means and methods to produce a design to minimize impacts.

Ms. Parkinson reported all WSDOT DB project schedules were reviewed and compared with the proposed project schedule. The schedule is consistent but slightly shorter within the RFP phase. The goal of the RFP is to minimize the deliverables.

In terms of PRC's advance questions, an enhanced warranty refers to the benefit of the owner having a single contract for both design and construction that transfer the majority of responsibility for achieving the reasonable performance requirements. It ensures minimization of any conflicts between the designer and the constructor at the design phase to resolve any conflicts between the design and the construction means and methods.

Mr. Hill responded to the question on the limited time to submit the RFP. The City is consulting with WSDOT as well as with the industry prior to establishing the final timeline for RFP submittals.

Ms. Parkinson said the timeline at this point is fluid because of the need to receive approval from the PRC prior to finalizing any documents with WSDOT and FHWA.

Mr. Twohig said another panel question related to the City's first DB project, the Nelson Service Center and the budget increase of 13% and the three month schedule delay. The project recently received the national 2016 Design-Build Institute of America (DBIA) Excellence in Process award during the DBIA Convention this year. The budget increase was because of an owner addition scope change. The project is a joint fleet maintenance and solid waste facility. Within the design, the DB team identified a way to add additional heavy vehicle maintenance bays in the fleet maintenance facility. The team identified extra space on the site and explained how extending the building by one extra bay would result in only a nominal increase. Other schedule increases in D-B-B projects were primarily attributed to unforeseen underground conditions and owner directed increases to scope.

Mr. Hill verified that since design submittals are not anticipated, the honorarium is small.

Mr. Twohig concluded the presentation and expressed appreciation for the panel's approval of the project proposal as it certainly lends itself to DB. The team believes it is possible to work with all partners to deliver a great project. The City is excited to move forward and the team is prepared.

Panel Chair Hall invited questions from the panel.

Mr. Boyd referred to the prior project budget exceeding 13% because of an additional scope change. He asked at what point the addition to the scope was identified. Mr. Twohig replied that the design was at approximately 60% to 90% when the change was identified. When the option was recommended, the team acknowledged the constraints placed on operations and maintenance staff because of the limited number of proposed heavy vehicle bays included within the original scope.

Mr. Palewicz commented that he is an architect by training, and focuses primarily on vertical construction but is somewhat confused about the RFP process and the expectations from the proposers. He asked for an explanation as to the expectation of the design submittal with respect to the amount of the honorarium and whether the design or qualifications would be scored. Ms. Parkinson replied that the preference is to pursue Progressive Design-Build rather than DB. She typically holds a proprietary meeting with proposers to review the management approach and seek input on the context of the project by sharing ideas from previous work on Progressive projects. However, because federal funds are involved, a hybrid approach would likely be pursued with some flexibility in the approach. The team is working with WSDOT and FHWA to seek the maximum level of design acceptable to pursue Progressive Design-Build. Normally, those agencies want to see much more bridging and more design and typically conduct a design competition. However, the team is trying to avoid that route because of an innovative federal process FHWA would like to pursue for determining how much

of the design could be developed. The agency has indicated a willingness to work with the team to pursue that process. Although an answer to the question at this time is not possible, the intent is to determine the level of design that could be completed through that process. The design would be scaled to a hybrid level and the honorarium would likely be increased because it is important to mentor it with the deliverables. The budget includes additional funds for honorariums if necessary.

Mr. Palewicz asked whether the team has defined expectations of what the RFP will require. Ms. Parkinson replied that the goal is to pursue a very progressive Design-Build approach in the RFP. However, the team believes it likely would be necessary to include some sort of design to meet the requirements of FHWA similar to a conceptual design. Mr. Palewicz asked about the timing of that decision to ensure the information is included in the RFP. Ms. Parkinson responded that conversations are occurring now with WSDOT and FHWA to determine the level before the RFQ is released. The amount of honorarium is included in the RFQ information. The June 1, 2017 date submitted in the application was optimistic and it is likely the schedule would move forward by several weeks.

Mr. Hill added that the team has had good interaction with WSDOT Local Programs staff and FHWA. WSDOT's Eastern Region has never completed a DB or Progressive DB project. During each subsequent meeting, WSDOT staff members are becoming more comfortable with the Progressive approach and support efforts to minimize the number of deliverables. The team is striving to build their comfort level. The RFQ is based on another agency's delivery of a federally funded WSDOT project involving the Tacoma Bridge. The team has been working from that document to increase comfort levels for the initial RFQ.

Mr. Boyd cited the RFQ timeline and the shortlist process and asked whether the shortlist would incorporate some level of conceptual design and costing methods. Ms. Parkinson replied that the initial process timeframe would be based on previous WSDOT projects. The timeline was based on WSDOT's heavy civil project schedules. The intent is to reduce the deliverables on the RFP side and require a conceptual design. However, if approval is not received, the level will be determined by WSDOT and FHWA requirements for federal funds.

Mr. Boyd asked whether an informational meeting would be scheduled as well as a proper debrief to ensure an open and transparent procurement process. Mr. Hill said that an informational meeting would be scheduled after RFQ is issued. The owner has had discussions with local industry representatives and the intent is to host an open meeting to kick off the project. When final scores are issued, debriefing opportunities can be scheduled for any team wishing a debrief to learn more about the project.

Mr. Twohig added that in several recent GC/CM projects, the standard public solicitation was completed through standard municipal advertisements for the RFQ. An informational meeting is intended for contractors to learn more about how the project will be structured. Every applicant on the shortlist will be notified and issued an RFP. Once the scores are completed, a debriefing is offered to each firm. Most shortlist firms take advantage of the debriefing. The City's first GC/CM project resulted in two finalists. The team placing second participated in a debriefing and considered the suggestions by implementing many of them. The company went on to win the bid for the City's next project.

Ms. Zahn questioned the status of federal funds to enable project enhancements and the outcome should the piece with WSDOT not work out. Mr. Twohig reported the current funding allocation of \$11.3 million is available. A regional call was issued for federal funds last spring. The City submitted the Post Bridge project application to shore up and reimburse local funds contributed to the project. A decision on the funding allocation is not anticipated until October or November. If the application is successful and the project receives federal funds, local funds will be replaced with the federal funds while enabling some bridging in the budget that would be worked through during validation. Ms. Zahn asked about the level of deliverables the City wants from the proposers and would the honorarium be adjusted accordingly. Mr. Twohig affirmed the honorarium would be adjusted if necessary.

Ms. Zahn asked about the project budget allocation of \$100,000 for contract administration. She asked whether that amount, which represents only 1%, is accurate for administering and managing the contract. Mr. Twohig said the amount

is allocated for the DB Advisor. Ms. Zahn asked whether the amount of \$1.2 million is allocated for the soft costs of managing the contracts, consultants, and the support. Mr. Twohig affirmed that is the intent.

Mr. Palewicz asked about the drivers for the project schedule and the option of delaying the project for three months to enable resolution with WSDOT and FHWA to determine the DB spectrum to issue the RFQ. Mr. Twohig responded that the team was asked to deliver the project as expediently as possible by the Legislature, City Administrator, and the Parks Board. The downtown core is under massive construction with CSO tanks under construction in the downtown core. The request would avoid a separate ribbon cutting for the completion of the park and other major projects by scheduling the projects as close as possible with the delivery of the parks projects and other amenities downtown. The bridge project is the tail end of the grouping of projects. The intent is finalizing the front end processes to the extent possible as the start date is predicated on one of the CSO projects because that project closed a main arterial. For the bridge project to proceed, the arterial must be open, which is anticipated to be in October 2018. The project cannot begin construction until that date. During the interim, the intent is taking advantage of the process and completing the selection procurement to the extent possible. If the selection focuses on qualifications rather than the design side, the City anticipates selecting a good partner to achieve the project design outcome as expediently as possible.

Ms. Parkinson added that WSDOT wants the City to receive PRC approval prior to finalizing actions. It is not possible to finalize actions with WSDOT and FHWA without PRC approval.

Ms. Zahn commented that it appears the reason the City is considering DB is because the project essentially replaces an existing bridge. She asked whether that is why the marriage of the DB, means and methods, and scheduling are so important for determining the design. Ms. Parkinson affirmed means, methods, and scheduling are important to complete the design.

Panel Chair Hall invited public comments.

There were no public comments.

Panel Chair Hall invited the panel's deliberation and a recommendation.

Mr. Davis remarked that he recently visited Spokane and can attest to the number of projects in progress. The project site presents some challenges as he observed difficult work occurring on a rock. He believes the DB delivery method for replacing the bridge is the right method as it would be difficult to maintain operation of the sewer pipe. Many questions were raised about the process; however, the team is familiar with DB and he supports approval of the application.

Mr. Boyd said DB is the correct procurement method for this type of project, especially in terms of supporting the 54-inch line as the bridge is demolished. Over the water work is quite dangerous, especially in the winter when water flows are higher, which was not mentioned but is another aspect of the project that is very important to the people who will work on the project and to the pedestrians and others using the bridge. It will require an intense schedule protocol in terms of how the process is managed. He is concerned somewhat about the budget in terms of the amount of contingency within the \$8.3 million. He plans to support the project because DB is the proper procurement method for this type of project.

Ms. Zahn remarked that as a former bridge designer, she is excited about considering the project as a hybrid Progressive DB because a traditional DB would generate some concerns around the ability to lock in prices at the front end while having an understanding of the entire realm of all project components. Progressively working through those challenges in that particular location affords the ability of using means and methods when considering construction of one half of the bridge followed by the second half. The City previously requested approval of the Riverfront Park Pavilion for DB, which is another project currently underway. That project provides some potential to provide some lessons learned across the City for projects completed by the DB delivery method. Design-Build is the right delivery method for this project. The project team includes internal subject matter experts on bridge design and consultants to provide DB expertise. She supports approval of the application.

Ms. Rynne agreed the project is appropriate for DB. She appreciates the creativity and deliberation of the team in balancing all the requirements for the different agencies involved in the project. She supports approval of the application.

Panel Chair Hall reported he works in downtown Spokane and is living through some of the issues caused by the multiple projects. The project is very complicated within a very complicated context. It is located above the second largest urban river in the nation with some of the highest water levels on record. The project will be very difficult. Weighing the DB method against the GC/CM delivery method means having the ability to develop a turnkey package completed progressively, which by far is the best option. He recently completed a hybrid Progressive DB project with Hill International. He knows how the team plans to approach the project. Difficulties in the ability to develop the schedule are because of the lack of control of other agencies and other inputs. The City simply does not have that information. Once that information is available, the project will move forward. At this time, establishing sufficient criteria to pursue traditional DB would involve a completely different process. The proposal to pursue a hybrid progressive approach is the better option.

Mr. Palewicz agreed the project is perfect for DB. Although, the team is a powerhouse team, he is troubled by jumping out to the market on June 1, 2017 without knowing what to ask from the market. Not knowing if the June 1 date slides to July 1 is a concern, as there is a tendency to rush to panic to jumpstart the project which could lead to disaster if the project should venture down the wrong path should some elements not work as anticipated. He would support the application, as it is leap of faith because of the caliber of the team in figuring it out. However, he is still troubled, as he would have preferred a clearer project. He acknowledged that some elements are outside the team's ability especially when a federal agency is involved.

Panel Chair Hall noted that between now and the completion date the timeline is 3-1/2 years. There will be some amount of "float" within that schedule. There is much upfront work. The information presented during the presentation was much improved over the application. He agreed with some of Mr. Palewicz's concerns, but believes the schedule affords flexibility for the team's success.

Mr. Palewicz said he would have preferred to hear that the owner is going to enter the market as soon as information is resolved to meet WSDOT requirements.

Ms. Zahn said the applicant's written response indicated the RFP phase is too optimistic; however, the essence of the message is basing the final timeline on recommendations from WSDOT and the industry. She does not believe the owner plans to jumpstart the process if the information is not ready.

Mr. Palewicz cautioned that the PRC is approving the application as presented, which is his concern.

Ms. Zahn pointed out that the question is whether the panel believes, as the consultants to the project have indicated, that the advertisement would only be published after all information is resolved.

Mr. Palewicz advised that he is willing to take that leap of faith in Ms. Parkinson and the rest of the team.

Jeanne Rynne moved, seconded by Kurt Boyd, to approve the DB Application from the City of Spokane for the Post Street Pedestrian & Utility Bridge project. Motion carried unanimously.

Panel Chair Hall recessed the meeting at 11:57 a.m.

VANCOUVER PUBLIC SCHOOLS – GC/CM: McLOUGHLIN MIDDLE SCHOOL REPLACEMENT; MARSHALL ELEMENTARY SCHOOL REPLACEMENT; LIESER K-12 MODERNIZATION PROJECTS

Panel Chair Chuck Davis reconvened the meeting at 12:30 p.m.

Panel Chair Davis reviewed the presentation and timing format to consider the GC/CM application from Vancouver Public Schools for McLoughlin Middle School Replacement; Marshall Elementary School Replacement; and Lieser K-12 Modernization projects. The following panel members provided self-introduction: Janice Zahn, Jeanne Rynne, Rustin Hall, John Palewicz, Chuck Davis, and Kurt Boyd.

Todd Horenstein, Assistant Superintendent, Facility Support Services, Vancouver Public Schools, thanked members for the opportunity to present the application. On February 2017, Vancouver Public Schools entered into a \$563 million contract with the community. That contract was to ensure facility improvements across the district to support future high school graduates. One of the commitments to the community included completing the projects on time and within budget. The proposed application represents a first step in that process and an opportunity for the School District to look at an efficient and effective way of achieving the two goals of on time and within budget. The proposal is a compilation of three projects on one site using one GC/CM contract.

Mr. Horenstein reviewed the presentation agenda.

Mr. Horenstein reported he is serving as owner's project lead. He has the capacity to render real-time decisions during the entire project. Other key members of the team include LSW Architects. Ralph Willson is Principal-in-Charge at LSW Architects. Keith Livie, Associate, will serve as the Project Manager, Don Luthardt, Associate Principle, and Brent Young, Associate, will serve as project architects.

As Vancouver Public Schools is new to the GC/CM process, it was important to seek out the most qualified consultants to assist the district. The Parametrix team is well qualified and in a position to help owners and new owners through the GC/CM process. Parametrix was selected as the School District's advisor. The Parametrix team includes Howard Hillinger, Internal GC/CM Program Manager; Jim Dugan, GC/CM Program Advisor; Dan Cody, GC/CM Procurement & PM/CM; and Michelle Langi, Project Controls Specialist.. Graehm Wallace with Perkins Coie is serving as External GC/CM Legal Advisor. Mr. Wallace has been involved with Vancouver Public Schools for 30 years.

Other team members include Vancouver Public Schools CFO Brett Blechschmidt and Facility Planner Jennifer Halleck. Additional support from LSW Architects includes Lydia Dominy-Burns, Associate; Kourtney Strong, Project Architect; and Terry Werdel, Associate.

Vancouver Public Schools is located in Clark County in the southwest corner of the state. The district sits across the Columbia River from Portland, Oregon. Vancouver Public Schools is the second largest school district in Clark County. Evergreen Public Schools is the largest school district and is located to the east. Combined, the two school districts have more than 50,000 students and families. Approximately 24,000 students are enrolled in Vancouver Public Schools. The district is comprised of 37 schools and is characterized as an urban-suburban mix to include the core of Vancouver. Approximately 50% of the district's families qualify for free or reduced cost meals. School poverty is over 80% throughout the district. The projects are located in the southern portion of the district with higher levels of free and reduced cost meals. One of the project initiatives is to address equity and excellence across the district. The schools represent approximately 70 years of history in the school district that have not had any significant upgrades or renovation.

Part of the plan includes replacement of eight schools, construction of three new schools, 11 major modernizations, and a number of smaller improvements throughout the district.

The last capital bond passed in 2001 for \$400 million. The three-phased bond program was completed with many of the same team members with the exception of Parametrix. The program was initiated in 1992 and completed in 2006.

The current capital program of \$563 million is the largest in the state at this time.

As part of the bond program, the GC/CM application focuses on three schools representing approximately 22% of the overall Capital Improvement Program. The School District anticipates many of the projects will be D-B-B. The School District has the opportunity to take advantage of additional contracting capacity in the Portland market to include minority-owned businesses. The School District has reached out to the Southwest Washington Roundtable and other labor organizations to share information on the capital program and concerns about the availability of contractors and ways to assist the School District to generate opportunities for local contractors and subcontractors.

Jim Dugan, Parametrix, provided additional details on the three projects. The one site will house three schools. The proposal includes maintaining the operation of two existing schools located on opposite sides of a parking lot. Two new schools will be constructed, McLoughlin Middle School will be demolished, and Marshall Elementary School will be modernized and converted to a new Lieser School while maintaining operations of an existing aquatic center. The new McLoughlin Middle School has an anticipated MACC of \$54 million with occupancy scheduled in September 2020. The new Marshall Elementary School will be constructed concurrently at an estimated cost of \$26 million with an opening date scheduled in September 2020. The modernization of Marshall Elementary School to the new Lieser School is a smaller project with a MACC of \$9.625 million and an opening scheduled in April 2021. Existing facilities to remain operational include tennis courts, daycare, and the aquatic center.

Mr. Dugan reviewed the project budget, which has not changed since submittal of the application. The three projects combined have a budget of approximately \$123 million or 22% of the bond program. The project includes one GC/CM and one architect for three projects on one site.

The project application requested approval to either select one or three GC/CMs. Between the application date and the presentation, the owner contacted the market and discussed the project with Oregon and Washington contractors. The unanimous response preferred a bundled package versus standalone projects. Subsequently, Vancouver Public Schools has decided to release an RFP designed around one GC/CM. The schedule targets the hiring of the GC/CM in mid-July and under contract by early August.

Mr. Dugan explained how the proposal complies with three of the five statutory criteria:

1. Implementation of the project involves complex scheduling, phasing, or coordination.
2. The project involves construction at an occupied facility that must continue to operate during construction.
3. The involvement of the GC/CM during the design stage is critical so the success of the project.

Additional challenges involve the existing schools having egress and ingress points on all sides of the schools with no single point of entry. Controlling that effectively is one reason for only having one GC/CM.

Mr. Dugan referred members to a copy of a chronology of steps comprising the master plan, which describes the complexity of steps for demolition, construction, and occupation. Another critical factor is the production kitchen at McLoughlin Middle School that serves other schools in the district. The kitchen is an essential facility.

Mr. Dugan shared information on other projects with multiple facilities and one GC/CM. They include combined projects for the Clover Park School District. The key factor for savings was using the same design team on both projects. Tacoma Public Schools experienced similar cost savings during the modernizations of McCarver Elementary School and Stewart Middle School. However, that project had different architects. The proposed project of one architect, one builder, one site, and three projects with two overlapping and one following is the next project that he has been seeking to bundle once again. The experience of the consultant team is included within the RFP and is the basis for the request to the PRC.

Mr. Dugan reviewed public benefits for pursuing the GC/CM delivery method:

- Student, community, and district safety.
- Enhanced budget and schedule control.

- Community stewardship.
- Appropriate risk allocation.
- Fiscal accountability.

Most of the team members are attending GC/CM training. Team experience between the consultant firms makes up the body of GC/CM experience to complete the projects successfully. The project organizational chart includes the owner, GC/CM experience, and the project team. Percentages of time are assigned to each consultant for all three projects and the owner team members. Mr. Dugan addressed the availability of his time. Previous projects approved by the PRC have completed procurement. He has ample capacity in his schedule.

Mr. Dugan reviewed GC/CM experience of the LSW and Parametrix teams. LSW Architects has a strong project history with Vancouver Public Schools.

Mr. Dugan reported that the team believes it has satisfied the criteria, has a funded budget, a strong project management plan in place with clear lines of authority and responsibility, and a district and a design team that have previously worked together. The project team has the GC/CM experience and the capacity to provide the time needed for the program of projects. The team is prepared to proceed, and with PRC's approval and some editing, an RFP will be ready for release on Monday, May 29, 2017.

Mr. Dugan thanked the panel for consideration of the application.

Panel Chair Davis invited questions from the panel.

Ms. Zahn said her comment relates to the comments about the School District and the architect working together for more than a decade. It seems that what is changing with the GC/CM is a new partner with Parametrix. From a team culture standpoint, it is one thing to go and complete training while it's another to have a culture in the School District that is ready for the level of collaboration required for the architect to be open to that experience of working with the GC/CM and trusting in Parametrix as the new consultant. She asked for additional information on how that readiness is being prepared. Mr. Horenstein replied that the School District has shifted from a qualifications-based selection process to one that includes significant discussions about culture, capacity, and controls. The owner has acknowledged that it is possible to have the qualified team but if they do not jell, share a common vision, or operate collaboratively as a team, the project would struggle. The School District and LSW Architects have similar cultures. Parametrix can attest to those similar cultures during its selection process. Much of the conversation evolved around understanding the culture within Parametrix and whether it would be a good fit. That conversation will also occur as part of the GC/CM selection process to ensure there is a shared culture between all the parties.

Howard Hillinger, GC/CM Program Manager, Parametrix, added that he has worked with LSW Architects in previous projects. LSW Architects contacted Parametrix about the proposed project. LSW Architects has completed many GC/CM projects. The interview with the School District and with Mr. Horenstein was unlike any other prior interview. No questions were asked about the project, but rather the questions focused on the culture at Parametrix and what has worked. At the conclusion of the interview, members were comfortable that the team would work well together.

Ms. Zahn asked whether there an expectation for the architect to participate on the selection panel for the GC/CM. Mr. Horenstein affirmed the architect would be a participant.

Mr. Dugan noted a question was asked during the interview with Parametrix about his high energy, drive, and strong presence and whether the culture of "Jim Dugan" could fit correctly within the culture of the School District. During the interview, there was a focused point on whether that would work rather than a conversation about the projects.

Ralph Willson, Principal-in-Charge, LSW Architects, commented that the question about Mr. Dugan prompted discussion on what makes an ideal team player humble, hungry, and smart, and whether it requires a combination of those three

virtues because it is how LSW Architects operates as an office and with the School District. The result is that Parametrix operates in the same fashion.

Mr. Palewicz said he is unclear as to the School District lead or main responsible person for each of the projects. Mr. Horenstein replied that for the School District, he would be responsible for each project as the lead in addition to utilizing consultants in terms of communications between the contractor and subcontractors. It is envisioned to be a three-legged stool with the ultimate decisions rendered by him.

Mr. Dugan said that based on experience learned from projects at Tacoma Public Schools and other districts it essentially speaks to assigning the different positions of project manager, construction manager, and managing multiple projects simultaneously. The organizational chart reflect Dan Cody as the lead senior Project Manager with supporting construction managers to be determined. Several construction managers will be added to manage the multiple projects concurrently. Those individuals have not been determined at this point; however, the responsibility is with Parametrix to ensure the right individuals with the skills are provided.

Mr. Palewicz cited Mr. Cody as the lead for the two school replacement projects. He asked whether he would then transition to the third modernization project. Mr. Dugan affirmed Mr. Cody would move to the third project. Mr. Palewicz said it appears that Mr. Dugan and Mr. Hillinger are providing their expertise to the project. Mr. Dugan confirmed that he would serve in the GC/CM process in an advisory role and Mr. Hillinger would serve in a program role as the next projects roll out.

Mr. Hillinger added that because the project is the School District's first GC/CM project, Mr. Horenstein is taking the lead for the district and devoting a significant amount of time to understand the process.

Mr. Boyd said it appears that Mr. Cody's time on organizational chart includes overtime. Mr. Dugan replied that the organization has learned, especially with the multiple projects at Tacoma Public Schools, that a strong project manager has the ability in their normal 45-48 hour workweek to have two projects as long as the project manager is augmented with additional construction support. In design, one project manager can manage both projects. However, once construction commences, an additional person is necessary. It has been a very effective model Parametrix has used successfully and consistently.

Mr. Hall asked for clarification of the GC/CM project track record for LSW Architects. It appears two GC/CM projects include a YMCA project in Oregon and a school in Washington State. Mr. Willson said his experience currently includes Jemtegaard Middle School in Washougal and Ridgefield Elementary School. Approximately five years ago, he and Mr. Livie worked on another Ridgefield GC/CM project of approximately \$49 million, as well as the Sherwood YMCA project in Oregon.

Ms. Zahn asked about key lessons learned from all the GC/CM projects. Mr. Willson said the Ridgefield project provided lessons learned as it was the first time the school district has undertaken a GC/CM project. The contingency and working through the process were major lessons learned. The Ridgefield project ended up as four projects with approximately \$1 million returned to the school district. Ensuring subcontractor coverage early in the process and soliciting subcontractors in the community were important to the success of the project.

Mr. Dugan said that GC/CM should be redefined as "flexibility" in terms of preparing an RFP to enable the owner as many options as possible around scope and schedule. The RFP must be explicit and include specifications that the owner reserves the right at its sole discretion to go forward with one applicant or that the owner might want to include additions if funding is available. It is important to use the tools available to manage time, budget, and scope.

Mr. Boyd asked Mr. Willson about internal work necessary to support the large back-to-back projects based on the firm's schedule. Mr. Willson said his firm's history includes working on three high school projects concurrently with separate teams and separate project architects working together with each team staffed appropriately. It is important to ensure each

project has well qualified individuals. The largest GC/CM project he has completed was the \$49 million Ridgefield project comprised of four projects. Other GC/CM projects of a \$54 million middle school project and a \$24 million elementary school were not difficult projects. If the three projects were high schools, the firm would have some concerns about assigning the necessary expertise to design three high schools although the firm has had that experience with the owner.

Mr. Palewicz asked Mr. Horenstein how he educated or warned the School Superintendent and the School Board on the use of alternate public works. He asked whether they support the delivery method as well as understand the delivery method. Mr. Horenstein said the Superintendent and Board of Directors are involved. Several work sessions were completed with the School Board regarding the GC/CM delivery method. During the work session, the Board received a briefing on the reasons why the state has allowed GC/CM for school districts. Other school districts across the state have successfully completed GC/CM projects. He shared details of those projects with the School Board. Given the complexity of the project, he recommended the School Board consider GC/CM, as it would provide the best opportunity to meet the schedule and stay within budget. The School Board supported the proposal, acknowledged the district's commitment to the GC/CM process as the delivery method, and authorized the use of GC/CM for the entire process.

Panel Chair Davis invited public comments.

There were no public comments.

Panel Chair Davis invited the panel's deliberation and a recommendation.

Ms. Rynne acknowledged that the project would be the School District's first GC/CM project. It appears the district has done much research and assembled a good team. She supports approval of the application.

Mr. Boyd noted the School District has only completed one major project in the last 12-15 years, which is a consideration although having Parametrix guiding the process is key.

Ms. Zahn said the information as to why Parametrix was hired was because of input from LSW Architects demonstrated a good partnership between the School District and LSW Architects. The firm recommended Parametrix because they have trust and faith in the firm. That is important. Working together well as a team and leveraging past lessons learned from different partners involved in the project will benefit all team members, especially when the GC/CM joins the project, as they will all understand the complexity of the project schedule. It also appears the School District paid attention because the question about schematic design and whether that might be advancing too fast caused the School District to re-examine the issue and made some adjustments accordingly, which is reflective of a school district willing to listen, learn, and make adjustments. Although the School District may understand the culture, experiencing the speed of which a GC/CM wants to move may be something the School District should be prepared for.

Mr. Hall said the proposal meets the minimum requirements of the lens the PRC looks through when considering a project. However, his nervousness surrounds the complexity of the project with light experience with the architects having some GC/CM experience and the School District having none. The GC/CM is being brought in at the last possible moment. Previous lessons learned have spoken to the importance of bringing the GC/CM as early as possible. That might be the case for this particular project, but he is unsure as the application was submitted late. Parametrix will encounter some big shoulders, as the consultants will be carrying a lot of the weight. However, the applicant has met the minimum requirements and Parametrix has the experience. Another lesson learned shared by owners is the investment of time. He asked whether the Superintendent realizes the amount of time that will be required. Parametrix will have to step up to ensure the project is successful. Part of the PRC's job is to ensure the proposal meets the RCWs. The project does meet the RCWs. There are no questions there. The next question is whether the School District has the right team. He believes the right team is available but the right amount of investment and time of the right team members might not be sufficient.

Mr. Boyd agreed with Mr. Hall about the potential lack of experience and what the team might be facing. The application lacked any information about efforts to identify all GC/CMs in the local market. Because of existing facilities, electrical and mechanical will be critical. He does however plan to approve the application as it meets the minimum requirements.

Mr. Palewicz agreed the applicant has met the minimums and hired the consultants the project will need; however, he would prefer to see more of commitment from Mr. Dugan and/or Mr. Hillinger regarding the entire project. As a member of the Oversight Committee for Seattle Public Schools, it is interesting to watch school districts use alternate public works. The Seattle School District is finally using alternative delivery methods and has found it to be a much more successful way of delivering complicated school projects. He is glad to see the School District would be using GC/CM. He favors supporting the application.

Ms. Zahn added that part of the trepidation is figuring out how school districts that are new to the process can learn from lessons from other districts. Some school districts receiving approval earlier in the day have delivered many alternative delivery projects over the years. She agreed with previous comments about whether the School District is ready to proceed with a GC/CM project; however, she was glad to hear that the evaluation of bundling or not bundling was assessed as well as reaching out to the marketplace. That provides a better sense that the School District understands that the culture is very collaborative and that the School District has initiated those efforts at the beginning before releasing the RFP. That gives her a sense that if the School District is striving to remain within budget and schedule overall, there are pieces that need to be unraveled when the GC/CM joins the team. Her hope is that the School District takes collaboration seriously to take advantage of any changes to prior decisions.

Panel Chair Davis commented that he considered the alternative to GC/CM with the same project elements under a traditional Design-Bid-Build but concluded that it likely would be extremely difficult. From his perspective, GC/CM is the right methodology. It may not be the best project to an owner new to GC/CM to pursue; however, he can't imagine the alternative and the challenges the School District would likely encounter with three different contractors on site at the same time.

Janice Zahn moved, seconded by Jeanne Rynne, to approve the GC/CM application from Vancouver Public Schools for the McLoughlin Middle School Replacement; Marshall Elementary School Replacement; and Lieser K-12 Modernization Projects. Motion carried unanimously.

Panel Chair Davis recessed the meeting at 1:17 p.m.

SHORELINE SCHOOL DISTRICT – GC/CM – EARLY LEARNING CENTER PROJECT

Panel Chair Janice Zahn reconvened the meeting at 1:30 p.m.

Panel Chair Zahn reviewed the presentation and timing format to consider the GC/CM application from the Shoreline School District for the Early Learning Center project. The following panel members provided self-introduction: Janice Zahn, Jeanne Rynne, Rustin Hall, John Palewicz, Chuck Davis, and Kurt Boyd.

Howard Hillinger, Parametrix, reported the project is the School District's first GC/CM project. He asked team members to provide self-introduction.

Anne Timmermans, Parametrix, reported she would serve as one of the GC/CM project managers. David Mount, Mahlum Architects said the company is the architect for the new learning center. The firm has worked through the GC/CM process since early 2000s for a number of public school districts, universities, and other public agencies. Dan Stevens, Shoreline Public Schools, reported he is the Manager of Capital Projects. Mr. Hillinger said he would serve as the GC/CM Advisor. Marla Miller, Deputy Superintendent, Shoreline Public Schools, reported she gained most of her construction experience with Edmonds School District. She was responsible for hiring Edward Peters as one of her first actions when she assumed responsibility for capital projects in 1998. She has been with the School District for 5 years and assumed the role of Deputy Superintendent while the School District was breaking ground on two high schools. She

was involved in the completion of those two projects and was responsible for preparation of the bond campaign. Michael Romero reported he is the Project Manager for the Early Learning Center. His previous experience and education has been with the Seattle School District rebuilding an historic middle school, Lake Washington School District building a middle school followed by management of the School District's annual \$24 million program of significant renovations across the district. He has been with the Shoreline for several months. Graehm Wallace reported he is with Perkins Coie and serves as legal counsel for Shoreline Public Schools for construction projects. He has represented numerous school districts, other public entities, and has authored many GC/CM contracts. He has worked with Ms. Miller for many years.

Ms. Miller reported Shoreline Public Schools is growing rapidly. A number of projects were passed in a bond on February 14, 2017. The projects are intended to increase capacity for elementary school classrooms and moving sixth grade classes to middle schools converting middle schools from a two-year model to a three-year model, which supports the construction of two middle schools. The four projects within the bond program were subject to a thoughtful and thorough public process. Considerations included building conditions, areas needing enrollment support, and supporting middle schools programs. The district has been aggressive in terms of preparing for the approval of the bond by releasing an RFP for an architect. Architects were interviewed understanding that the bond was pending before the voters. However, a tentative selection process commenced prior to bond approval to ensure readiness to move forward if the bond passed. Mahlum Architects began to work with district on the Early Learning Center project, as well as working the last 18 months on a project to renovate another elementary school to add classroom capacity.

Data included in the presentation materials speak to work completed in preparation for the bond. The district hired a demographer who provided some long-range enrollment projections for the district, which established the long-term capacity needs for the next 25 years. Most of the district's elementary schools are at or above capacity. The proposed project is the first step in a process that will move students into a transition site while the school is renovated and rebuilt. That process involves several steps that are dependent on completion of the previous step. The Early Learning Center would free up 10 classrooms in an existing elementary school. The classes are currently at capacity with kindergarteners for next fall. The completion of the Early Learning Center will enable vacation of the transition site and moving forward with the Parkwood Elementary School. Parkwood Elementary School is larger and adds capacity for the elementary program. Following completion of the Parkwood Elementary School, the next project is construction of the new middle schools.

Shoreline Public Schools has two high schools and two middle schools. It is very important to the voters to construct both middle schools concurrently.

Mr. Romero reviewed the project site. The Early Learning Center site currently houses three facilities. The Shoreline Children's Center will be replaced with the Early Learning Center. The center is a district-wide preschool facility. Another facility is Meridian Park Elementary School originally constructed as a middle school. The school is the largest elementary school in the district. Athletic fields serve both the community and the high school. The City of Shoreline is requiring frontage improvements along the entire site. The site houses utilities and provides access for emergency services and fire response.

The Early Learning Center will be approximately 45,000 square feet in size serving children 3-5 years of age with three different educational programs. The facility is scheduled to open in September 2018. The district is currently working with the city and architects to ensure phasing of the project is appropriate.

Mr. Hillinger outlined how the project meets GC/CM criteria. The project meets four of the six criteria. Scheduling and phasing is complex because of the need to interact on an occupied site. The involvement of the GC/CM is critical. The work environment is also very complex. First and foremost, the site is occupied with utilities, infrastructure, and facilities. Access points are located on three corners of the site and must be maintained for uses on the site. The GC/CM will be responsible for coordinating those sites. Street improvements will be necessary along the site that will also affect other uses occupying the site. The site houses shared utilities.

In terms of complex scheduling, the Early Learning Center will begin construction in time for opening in September 2018. The use of the temporary swing space will immediately need to transition as a middle school as no other swing space is available to accommodate students.

Another element is the involvement by the GC/CM based on the project schedule. Once the GC/CM is contracted, the schedule and cost model will be reviewed as well as early bid packages. Demolition will begin in the summer. The GC/CM will be critical in determining how to buy out the project in phases to determine the MACC by late fall.

Having the GC/CM onboard now is important as schematic design is nearing completion later in the month or early next month. The GC/CM selection process was initiated prior to PRC approval recognizing that the GC/CM involvement would be required for a scheduled workshop within a week of the GC/CM selection to vet the schedule, the plan, and develop the cost model to support the architect, as well as development of the bid packages. Those early pre-construction activities are essential for having the GC/CM onboard.

The complex and technical work environment involves site circulation and queuing. The site is adjacent to Lynnwood Lake, a Sound Transit \$1 billion extension from Northgate to Edmonds that will absorb much of the city's attention. The need to engage early and often with the city will be important to maintain project phases.

Ms. Miller added that during a project with Skanska on Meadowdale Middle School she found how useful it was having the contractor early to work with the building staff and the city council on the safety plan that was a component of the phasing schedule. That same rapport that was established early in the design work carried forward throughout that project as it was possible to anticipate and layout how to move students and faculty around to avoid construction phasing activities. Having the GC/CM early in the process enabled the contractor to provide feedback and guidance for structuring a phasing plan.

Mr. Hillinger reported the project is fully funded by the bond issue. Included within the application is the project budget, which includes the GC/CM contingency, owner contingencies, and project program contingencies. By starting the GC/CM selection process early, the GC/CM should be onboard by the beginning of the design development phase.

Mr. Hillinger referred to the team organizational chart within the application. Ms. Miller will serve as the lead district manager for the project. Ms. Miller has experience with a GC/CM project and understands the speed of the process. She has a good working relationship with Ed Peters. He has suggested formalizing a more active role with Mr. Peters to receive some coaching and advice on best practices Edmonds School District has experienced. Mr. Romero will serve as the Project Manager. Mr. Hillinger said he worked with Mr. Romero when he was with the Lake Washington School District. He has worked around GC/CM but has never managed a GC/CM project. The project will be his principal project. Mr. Romero will be supported by him as an advisor and by Ms. Timmermans, who has completed two major GC/CM projects for the Port of Seattle and would serve as the primary support on site. Additional support is provided by Mahlum Architects and Mr. Wallace. As the owner representative (Ms. Miller) is experienced and understands the process and has been able to move quickly through the decision-making process.

The project site includes a very young student population of children three to five years of age. Many risks are inherent with construction activities around that particular age group. The GC/CM delivery method will enable completion of the project within the required timeframe. The GC/CM method offers enhanced cost control with the ability to evaluate steel versus wood and other procurement decisions. That input would be provided to the design team.

Mr. Wallace commented on the initiation of the GC/CM selection process prior to the PRC presentation. The proposed project is not the first project that initiated the selection process prior to approval by the PRC; however, the statute requires non-certified public bodies to apply to use the GC/CM process. No contract has been signed at this point other than the owner has been preparing for that outcome after receiving approval by the PRC. The owner has encountered upfront costs through the preparation of contracts in anticipation of the panel's approval while also believing the process undertaken to date is acceptable within the statute.

Mr. Hillinger added that the owner has not issued the RFP. If the application is approved, the owner intends to issue the RFP within the next several days.

Ms. Miller added that the School District does not presume approval but rather is striving to prepare for approval.

Mr. Hillinger reported that in summary, the project qualifies as it meets four of the criteria of (1) occupied site, (2) GC/CM under contract at the beginning of design development (3) right management plan with the combination of experience with the funding and schedule, and (4) the project will deliver significant public benefits in terms of risks, costs, and schedule.

Panel Chair Zahn invited questions from the panel.

Mr. Davis said one of the questions sent to the applicant centered on a concern about the lack of support of GC/CM experience. He asked the team to elaborate more to address the concern. Mr. Hillinger said the district has reached out to obtain support where needed. Ms. Miller has been involved in a GC/CM project. Based on Ms. Miller's experience, the School District would likely qualify on the basis of her experience. Mr. Romero will serve as the project manager, has completed GC/CM training, and has worked in support of GC/CM projects. Mahlum Architects is a very experienced firm with many completed GC/CM projects. Mr. Wallace is well-known in the industry. Parametrix brings much experience to the project between him and Ms. Timmermans. The team believes that the combination provides the necessary experience and support.

Mr. Davis said the organizational chart does not appear to reflect an individual with experience is committed during the construction phase, which is the basis for the concern. Ms. Miller pointed out that although the organizational chart allocates 10% of her time, since 1998, she has been responsible for school construction and participated in weekly project meetings for all projects. She has attended many project meetings and would be involved in this project. She would be aware of any issues and understands the importance of time sensitivity to seek proper answers regardless of whether it pertains to the program or the budget. The time commitment at this time of 10% is because of responsibilities for other projects within the School District. She is fully committed and will be involved during the entire duration of the project. Before starting the process, she contacted Mr. Peters and asked for his recommendations should the School District elect to pursue GC/CM approval. Mr. Peters advised her to bring in somebody with the experience level of Parametrix to help guide the School District through the process and ensure advisors are always on site.

Mr. Hillinger said Parametrix is still finalizing the level of support during construction. It depends on the selection of the GC/CM. The district has committed to reach out to firms not necessarily having a great deal of GC/CM experience to afford an opportunity. Interviews have been completed of three firms. The experience level ranges, which will have some impacts in terms of the proposed plan. However, the team is flexible and Parametrix has committed to provide whatever time and support are necessary to the district.

Mr. Wallace emphasized all agencies experience their first GC/CM project. The project includes many complexities but it is an Early Learning Center, which might be the perfect first GC/CM project for Shoreline Public Schools.

Mr. Palewicz agreed that the statute does not require PRC approval prior to initiating the GC/CM selection process. He asked about the status of the GC/CM selection process. Mr. Hillinger responded that the School District shortlisted three applicants and conducted interviews. If the project is approved by the panel, the School District plans to complete the interview selection process and issue an RFP within the next several days with responses due within the next several weeks. At the pre-proposal meeting, information was shared with the applicants that the project was dependent upon PRC approval. The finalists understood the project is fully funded and it was worth the risk of taking a chance on a project that appears to meet the criteria then offer a proposal on another project that does not have any construction funding. All applicants had an opportunity to provide feedback.

Mr. Boyd asked whether the questions to the shortlisted applicants were similar to prequalifying a GC/CM in the RFQ. Mr. Hillinger explained that the process was a normal RFQ submittal of statement and qualifications addressing the seven mandatory factors with several additional questions.

Ms. Miller added that during the interviews, the panel reiterated the project was not approved by the PRC and that the presentation had been scheduled.

Mr. Hall said it appears that for the entire School District, this one project is assigned to the one person with GC/CM experience. Ms. Miller affirmed she has managed GC/CM projects and Mr. Romero has been affiliated with several GC/CM projects but did not serve as the project manager. Mr. Hall said the School District completed one GC/CM project six years ago, which was managed by Ms. Miller. Ms. Miller affirmed the information. Mr. Hall asked whether Mr. Romero has participated in any GC/CM projects. Mr. Romero said he has not been involved in any GC/CM projects but has served as a member of large project teams on large programs. Mr. Hall said he understands; however, Design-Bid-Build is much different. Mr. Romero said he was a member of large project teams that were simultaneously completing large GC/CM project in Seattle and at Lake Washington. Mr. Hall said it is troubling that the School District is starting out quite a ways behind. He asked why the School District had not applied three months ago when the timing was more conducive as opposed to now when the GC/CM will be onboard at the last possible moment creating some loss in benefits for interaction during schematic design. It puts some contractors at some risk by asking them to participate in a process that may not be valid if the project should not receive approval. He asked why the School District is so far behind and how the team could convey confidence to the panel that the team knows what it is doing.

Mr. Hillinger addressed the concerns. Up to the passage of the bond passage, the plan was to pursue the project as a Design-Bid-Build project. During the architect selection, Mr. Mount recommended, given the schedule, to consider using the GC/CM method. Shortly after, Parametrix was contacted by Mr. Mount who has worked with the firm when he was with the Lake Washington School District. Discussions commenced with the School District on the pros and cons of different options. Following further conversations between the parties and Mr. Wallace, the consensus was to pursue GC/CM delivery for the project. The issue was not that the School District was indecisive but that the input supported pursuing GC/CM. After meeting with the School District, he advised that the only way to complete the project was utilizing the GC/CM delivery method because of the time and schedule and because the district would still gain great value even though it would have been preferable to initiate the process when the architect was hired.

Panel Chair Zahn said her questions are similar to Mr. Hall's questions in terms of the RFQ and RFP and the criteria. She asked about the extent of vetting the documentation and whether the district understands the requirements for pursuing a GC/CM delivered project. She asked how the GC/CM elements resemble the School District contracting processes and lessons learned as she is also struck by the rapid nature of the moving from the time to pursue GC/CM to today.

Ms. Miller acknowledged both concerns. She realizes that it has been six years since her involvement with the Meadowdale Middle School project and she was very appreciative of working with Mr. Wallace, who is very experienced in GC/CM contracting. When the conversations began about the requirements of a GC/CM contract, Mr. Wallace pulled together information. They discussed some of the changes that have occurred over the last six years. When she worked with Mr. Peters on her first GC/CM contract, there were many conversations surrounding some factors that were not state-of-the-art, such as ways to share incentives. The Skanska contract included options for incentive sharing. That has since changed and Mr. Wallace helped bring her up-to-date on GC/CM contracting today. Having the experience of Mr. Wallace on the contracting side and the guidance of Parametrix in terms of components required that are very different from Design-Bid-Build, the School District has many good counselors to work through the process. Additionally, much hasn't changed in the last six years.

Mr. Hillinger reported that the schedules over the next three months were developed by Mr. Peters. Mr. Peters identified specific points where the GC/CM's presence would be essential, such as the cost modeling workshop. Mr. Peters experience is being contributed to the team along with the design team and legal counsel. Parametrix is very familiar with Mr. Wallace's contracts.

Mr. Romero shared that the draft agreements were released to contractors as well as the request for interviews. Contractors were asked to provide comments on the agreements.

Panel Chair Zahn commented on the importance of readying the School District. She referred to the three shortlisted firms and the district's conveyance of affording an opportunity to less experienced firms. Although she would avoid offering advice on how to handle the procurement, it might be a dangerous endeavor for a school district with no prior GC/CM experience to select a contractor not experienced with the GC/CM delivery method. It might be a recipe for challenges.

Mr. Hillinger responded that the three firms interviewed have GC/CM experience through either individuals or the company as a whole. Many of the same GC/CM firms are being hired and it was unknown as to how many of those firms might apply. The School District is pursuing a large capital program and is interested in building capacity. The team is pleased with the firms as they have a mix of GC/CM experience.

Mr. Boyd asked about the possibility of the shortlisted entities understanding that the procurement might not occur and that the procurement process could be re-initiated as a GC/CM project. His concern is that some firms that might have been interested in the project chose not to pursue the project because at that the time it was not a GC/CM project. Mr. Hillinger advised that when the decision was made to pursue GC/CM, the School District contacted many experienced and less-experienced firms in GC/CM and shared that the School District was pursuing a GC/CM project. Outreach efforts emphasized the project was GC/CM.

Mr. Boyd asked about the possibility of canceling the current shortlist and redoing the procurement. Mr. Hillinger advised that redoing the procurement is possible; however, it would not be necessary.

Mr. Wallace addressed the question. It appears that the panel is okay with the legality of the process of getting to this point without having approval. If the School District receives the panel's approval, there would be no reason to restart the procurement process.

Mr. Boyd pointed out that some of the members of panel may agree but as a member of the panel, he may not necessarily agree with the legality of the process.

Mr. Wallace conceded the point. Should the panel deny the application for whatever reason, the School District could reapply for GC/CM later, and once approved, the School District could initiate the procurement process. However, that delay would impact the project schedule and the School District's only choice would be to hard bid the project and hope that the low bidder is a quality contractor.

Panel Chair Zahn invited public comments.

Susan McCants said she is with Osborne Construction and has worked on many GC/CM projects over the last 12 years for Sound Transit and Port of Seattle. It appears from the information that the project has complex scheduling and critical coordination of short duration that make the project a viable GC/CM project. It goes back to the collaboration and team effort during pre-construction, which makes the proposal a good project for GC/CM.

Panel Chair Zahn invited the panel's deliberation and a recommendation.

Mr. Palewicz noted the project has several issues. The first was approaching the market as a GC/CM project without PRC's approval. Essentially, the School District did not need permission from the PRC prior to initiating the procurement process. The PRC has debated that issue previously. The School District advised the community of the risks should the PRC not approve the project. In some respects, the School District might be late in the process but continues to strive to have the GC/CM onboard by the end of schematic design, which is allowed within the statute. For example, when Sound

Transit initiated its first GC/CM project and selected the GC/CM, the agency's drawings were 90% complete. Based on his experience with the Seattle Oversight Committee, school districts have a difficult job completing capital projects because of the dependency on bond issues. Many school districts do not maintain staff because of the workload and dependency on bond measures to fund capital projects. Often, school districts need to rebuild organizations in response to bond measures. The utilization of consultants and rebuilding the organization is a difficult task. The School District is doing a good job in rebuilding its organization. The project is smaller and of an appropriate size for the School District. It is likely the panel would like to see more GC/CM experience from the overall team. However, he supports the project.

Mr. Davis commented that members often struggle when applicants appear to have light experience. There is a good reason for those concerns as all members are committed to the alternative delivery methods and need to balance approvals against respective fears that an alternative delivery project might fail and result in consequences at the Legislature where perhaps over time, that opportunity might disappear. With Parametrix as part of the team, although somewhat limited in terms of time commitment, he does not believe Parametrix would allow the School District to fail. Similar to Mr. Palewicz's comment of taking a leap of faith, he supports the project even though he has some reservations.

Ms. Rynne said she too is concerned about the lightness of GC/CM experience, but in addition to Mr. Hillinger, Ms. Miller would not let the project fail, as the School District would be seeking a future bond at some point. The project is appropriate for the School District's first GC/CM project. It will also inform the district as to whether it will continue to pursue GC/CM for other projects. She plans to support the application.

Mr. Palewicz commented that when the PRC was first established, there were many conversations about how the PRC should not be viewed as an owners' stop in the process and should not be delaying a project. The PRC meets bimonthly and can meet monthly when requested. The PRC should never place itself in the position of being an onerous stop in the process. The panel should afford the School District some grace for not appearing before the PRC prior to approaching the market.

Mr. Hall cited the criteria for qualifying the project for GC/CM delivery. He believes the project qualifies per the RCW. The School District has the talent and a team that is ready to succeed. It is important for the School District to be successful and that means having the steps and pieces in place with the right individuals assigned. He plans to support the application but with some trepidation but has some assurance as he is very familiar with Parametrix having worked with the firm for many years.

Mr. Boyd agreed with previous comments that the project has complex phasing with occupied facilities and adjacent uses, etc. His questions were not intended to be negative but rather were meant to reflect positives. For those reasons, he is in favor of the project.

Panel Chair Zahn said she could not imagine completing the project by September 2018 without using a GC/CM process. The School District has selected the right delivery method although it might have started the process somewhat late. However, the School District is willing to embrace it and has an architect that has GC/CM experience and perhaps may assist the School District. Ms. Miller might want to consider spending more time by shedding some of the other responsibilities to support the team. She also appreciated the School District reaching out to Mr. Peters and adding Parametrix. She recommended sending some of the team members to the AGC GC/CM training and reaching out and understanding best practices. She also supports approval of the project.

Mr. Boyd noted the June 8, 2017 AGC GC/CM training session has some openings.

Kurt Boyd moved, seconded by Chuck Davis, to approve the GC/CM application from Vancouver Public Schools for the Early Learning Center project. Motion carried unanimously.

ADJOURNMENT

With there being no further business, Panel Chair Zahn adjourned the meeting at 2:26 p.m.

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