

MEAD SCHOOL DISTRICT

NEW MEAD ELEMENTARY SCHOOL GC/CM PROJECT

1. Based on the "GC/CM Procurement Schedule" and the "Design and Construction Schedule" provided in response to Question No. 3 of the application, the Schematic Design (SD) Phase will be nearly complete by the time a GC/CM Contract is awarded. Is this decision driven by the project schedule or is there another reason for postponement of the GC/CM's involvement?

The schematic design phase will be approximately 50% complete when the GC/CM is selected. It is anticipated that the GC will be on board at that time which is an appropriate stage for the GC to join the team. The decision to pursue GC/CM was made in line with the selection of the A/E, and was dictated by funding determination. The opening date for the new school was mandated by the board which has escalated the schedule for the project, ultimately adding to our need for a qualified GC/CM, therefore there is no postponement.

2. Is the funding for the project at risk from any other of the bond issue projects? If so how would this be dealt with?

Most of the funding from this project is from State grant revenue collections (State grant funds are secured and D-10's received) which will be nearly complete when this project is under construction. Other sources include local funds related to savings captured from other capital projects. The owner and the PM have done a careful cash flow analysis and will continue to review the cash flow needs as the project approaches the GMP Amendment milestone in the schedule. All current projects have guaranteed prices, healthy CM and owner contingencies and are well into construction.

3. The schedule indicates that procurement has already begun, and that SOQ responses are due on July 18, therefore GC/CM's would have needed to expend time and financial resources in order to be considered. Has this affected competition for the project, or have any firms expressed any concerns regarding starting the process ahead of PRC approval? Put another way, is there any reason that the start of procurement could not have waited on the PRC's decision in terms of scheduling?

There has been no concern expressed by the GC's that have shown interest in this project. The response has been typical for what we see in Spokane. The contractors are fully aware that PRC approval will come after SOQ submission but prior to interviews and RFPP. As stated in the application, it is essential to get this project started right away so that an early spring buyout can be performed. The design schedule is aggressive in order to keep escalation costs down. Waiting until after PRC approval would have had detrimental effects on the schedule and budget. Many of the projects submitted to the PRC have adopted this approach with success.

4. Please provide more information on specific vs general complexities described in the application. (Regarding question #4)

Specific Complexities:

- *Scheduling: A skilled GC/CM will assist to identify and bid early bid packages which are needed due to the aggressive schedule. The entire design will not be done in time to take advantage of the spring/summer construction season for the Spokane region, therefore making an early site package necessary to maintain schedule and budget. The D-B-B method for the early site work using a separate contractor is impractical because this would force two contractors (three when you include the middle school) on site at the same time and divide up responsibility/liability to meet the overall schedule.*
- *Coordination: The GC/CM will assist the project team in identifying specific project risk drivers such as volatile cost escalation, subcontractor buyout, materials and labor shortages, geotechnical*

CAPITAL PROJECTS ADVISORY REVIEW BOARD

PROJECT REVIEW COMMITTEE

QUESTIONS RE: APPLICATION

Meeting Date: July 25, 2019

issues and others yet to be identified, in order to mitigate or recommend solutions to meet project budget and schedule.

- *School under construction next door: There is another large middle school project currently in construction on the adjacent site that will be using the same access points. The schedule for this existing project and the new school will overlap by 6-8 months. The new GC/CM contractor will need to be aware of this situation and plan accordingly during the pre-construction process.*
- *Occupied middle school next door: This same middle school project will be occupied and fully functional beginning in August of 2020 which will overlap the balance of the schedule by another 11 months. The additional traffic, safety and coordination concerns during this period will require GC/CM recommendations and support.*
- *Neighborhood proximity: The site is in close proximity to neighbors. Creating an effective plan to minimize dust, sound, and other disruptions will play an important role in determining the success of the project, and to keep the community happy for future bond endeavors. The nearby neighborhood has mixed feelings about a school being built there, so extra care in planning to minimize disruption issues during design with the GC/CM can help alleviate the neighborhood concerns.*
- *Limited access points: With an operating school next to the site, several of the access points to the school and this project will need to be shared and coordinated. This plan needs to be worked out in advance by the GC/CM. The masterplan of the site will include multiple facilities and other public park-like amenities. New access points and internal roadways will need to be planned and established. Making cost and time sensitive decisions will be more effective with a GC/CM partner on-board early.*
- *Permitting: There will be complex permitting issues due to being in the County but having to utilize City services. This site has limited utility services and may require early bid packages to handle these issues.*

5. Please provide more information on specific vs general issues for which GC/CM involvement will be critical. What risks or risks on recent projects have been analyzed to determine that GC/CM involvement for cost estimates, early bid packages, long lead materials and the like are critical? For example, what items for long lead materials or early bid packages are anticipated to be needed to meet schedule or budget?

- *Cost risks: On recent projects with this client, the GC/CM's estimates were always higher than the independent cost estimator. It became apparent during the reconciliation process that the GC/CM had better inside knowledge of market conditions, subcontractor availability and escalation factors. The GC/CM's subcontractor buyout and subsequent GMP fell in line with their estimates more closely than the independent estimate. The team was better prepared to react to these costs as opposed to if this was a hard bid and the project would have been greatly over the owner's cost estimate. Budget, scope and design adjustments were made earlier to accommodate the GC/CM's predictions and therefore a project redesign after the bid wasn't necessary.*
- *The GC/CM brought earthwork subcontractors on board during design to assist in the site elevation layout. This was due to the inconsistent and sub-par soils on the site. The GC/CM team came up with ideas during the design to help balance the site and limit the import of soils through careful evaluation of building and amenity elevation adjustments. This saved the project hundreds of thousands of dollars and weeks of time. An early site package was recommended to accomplish this work.*

For this project: We see similar assistance from the GC/CM in the areas of cost estimating and soils issues. As you can see from above, these items are critical for this client to keep the project on schedule and within budget.