

Capital Projects Advisory Review Board

PROJECT REVIEW COMMITTEE

March 26, 2020

Minutes

Virtual Meeting via ZOOM

Attendees:

Jim Dugan, (Chair) Construction Managers	Art McClauskey, Owner – General Public
Timothy Buckley, Private Sector	Jessica Murphy, Owner – Counties
Bryan Eppler, Specialty/Subcontractors	Jason Nakamura, Minority/Women Owned Businesses
Thomas Golden, Design Industry-Architect	David Talcott, Design Industry - Engineers
Dave Johnson, General Contractors	

Guests:

Beau Bakken, North Mason Regional Fire Authority	John Libenow, Swinerton
Jeff Banister, Mortenson	Van Nguyen, CBRE
David Beaudine, CBRE \ Heery	Tristan Ogden, Turner Construction
Richard Best, Seattle Public Schools	Eric Ostfeld, Parsons
Ricky Bhalla, WA State Dept. of Transportation	Tom Reese, Vanir Construction Management
Becky Blankenship, Hill International Inc.	Katie Rundquist, Hensel Phelps
Matt Breen, Spokane International Airport	Andrea Rutledge, CBRE
Mike Davis, Swinerton	Jeremiah Shakespeare, Swinerton
Jennifer Everett, Seattle Public Schools	Mike Skutack, Seattle Public Schools
Kallen Gatherer, Mortenson, Oregon	Wray Smith, Swinerton
Shannon Gustine, Hensel Phelps	Melanie Stidham, JLARC
Becky Hamilton,	Robynne Thaxton, Thaxton/Parkinson, PLLC
Howard Hillinger, Parametrix	Renee Wassenaar, North Mason Regional Fire Authority
Tom Hysell, Alliance	Charles Westover, Hill International Inc.
Kali Jeter, Mortenson, Oregon	John Wynands, , WA State Dept. of Transportation
Ben Johnson, Alliance	

9:00 am **WA STATE DEPARTMENT OF TRANSPORTATION DESIGN-BUILD PROJECT**
– *US 101/SR 109 Removal of Fish Barriers in Grays Harbor, Clallam & Jefferson Counties*

Panel Chair: Timothy Buckley

Panel: Bryan Eppler, Thomas Golden, Dave Johnson, Jessica Murphy, Jason Nakamura, and David Talcott

Presentation:

Washington State Department of Transportation (WSDOT) appeals to the Project Review Committee to approve this Progressive Design-Build project. The project meets all three RCW criteria, and is fully funded for this \$190M project which has a 5% contingency. WSDOT has contracted with an external legal consultant with extensive PDB experience.

Questions & Answers:

1. WSDOT is working on getting Progressive Design-Build educated.
2. They hired Parametrix to guide them through the PDB process.
3. The PRC advised that the negotiations step is different than in Traditional Design-Build process. WSDOT stated they are flexible and will be negotiating a GMP versus using TDB.
4. WSDOT expects unique challenges while working with WS Department of Fish and Wildlife and Tribal governments. This is why they have instituted higher than normal contingencies.
5. PRC asked for WSDOT to review the primary benefits of this project. There is a faster procurement and risk sharing approach thus reducing the number of change orders and claims.
6. WSDOT is really looking forward to the innovative thinking that comes with using a PDB entity.
7. WSDOT noted that traffic control alone on 29 separate and different locations is a huge challenge.
8. The Coleman Dock experience showed them that having PDB contractor help with the permitting process will be beneficial.
9. The use of Value Engineering will be challenging due to the very nature of the work for this project.

Next meeting: May 28, 2020

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Public Comment:

Eric Ostfeld (Parsons) expressed industry and public support.

Deliberation:

The panel complemented WSDOT on their presentation, complemented them on their solutions working under strict state and federally mandated requirements, and their solutions dealing with the use an aggressive schedule, the panel fully expressed support for the use of Progressive DB for this project. Use of Value Engineering is not only about savings and cost; there is a greater value. Mr. Buckley recommended using an independent VE team to validate the direction prior to the GMP.

Conclusion:

*David Talcott made a motion to approve this project. Jason Nakamura seconded the motion. **Unanimous Approval (7/7)***

10:00 am SEATTLE PUBLIC SCHOOLS – GC/CM PROJECT
– Lincoln High School Seismic Improvement & Theater Renovation

Panel Chair: Dave Johnson

Panel: Timothy Buckley, Thomas Golden, Art McClauskey, Jessica Murphy, Jason Nakamura, and David Talcott

Presentation:

Richard Best with Seattle Public Schools (SPS) presented. SPS is asking to use GC/CM for their project which is in phase 2 for the Lincoln High School. They had a few minor claims but they have all been resolved. Seattle Public Schools are a knowledgeable Owner with a vast amount of design & construction experiences. They have had 6 GC/CM projects, and their senior project manager for Phase 2 is the same project manager from Phase 1, and is quite familiar with the school and its staff. The funding for this \$28.9M project is in place with a 7% Owners' contingency and an additional 3% risk contingency. Their landmark designation has posed a significant constraint to maintain a small footprint. This project satisfies RCW requirements by being an occupied site, complex phasing, historic site designation, and a technical working environment.

Questions & Answers:

1. Phase 1 & 2 buildings are separated by 30 plus feet; Enrollment at the time of construction needs to be safe for the 1600 students through the construction period.
2. The entire school will be occupied during construction, as well as the gym and auditorium. There needs to be careful planning with the building principal.
3. There is a contingency of 7.5% overall. How was the contingency percentage was determined? SPS used Phase 1 as a basis for the Phase 2 contingency cost.
4. Since there were a number of audits, some lessons learned were requested. Mr. Best gave some examples.

Public Comment: *No Public Comments*

Deliberation:

The panel deliberated in support for the project. They are working on a very tight site with occupied buildings and phasing challenges. GC/CM is a good alternative delivery method for this project. There are a lot of unknowns so SPS will need to use careful means and methods to stay on track and be successful. This project meets the fundamental requirements for GC/CM.

Conclusion:

*Timothy Buckley made the motion to approve this project. David Talcott seconded the motion. **Unanimous approval (7/7)***

11:00 am **SPOKANE INTERNATIONAL AIRPORT GC/CM PROJECT**
– *Terminal Renovation and Expansion*

Panel Chair: Timothy Buckley

Panel: Thomas Golden, Dave Johnson, Art McClauskey, Jessica Murphy, Jason Nakamura, and David Talcott

Presentation:

David Beaudine with CBRE\HEERY presented. Spokane Airport is growing rapidly and expanding their facilities. Their primary goal is to have a continuously operational airport with two overlapping and separate internal airport sections. This \$152M project requires critical phasing, includes a 3% risk contingency as well as a 5% owner contingency. The schedule is such that they will be fully operational by 2025. It is an aggressive schedule, but completely doable. This project meets RCW requirements for GC/CM to include the complexity of the schedule and that the site is occupied 24/7. All airfield and terminal operations must remain operational and on-line throughout the project.

Questions & Answers:

1. Currently the airport has only one security check point, will that change in the future? The existing checkpoint will be expanded in the interim, and then the extra space will be repurposed into concession and public circulation.
2. Project funding comes from a combination of revenue streams and bonds. All funding is in place. They plan to sell bonds once the approval to do so is final.
3. Design is at 30%. Have reached an agreement with Alliance so they can jump to 60% with design development through the end of the year.
4. Did SIA consider a different delivery method and if not, why? They did consider smaller separate projects, but with such a complicated phased project, GC/CM was the best option. With lots of FAA requirements they did not need the GC/CM involved. SIA agreed to be open to any/all GC/CM phasing recommendations.
5. David Talcott asked for Beckly Hamilton's thoughts as the Project Manager. She has 15 years of experience and agrees GC/CM is a good fit for this project.

Public Comment: *No Public Comments*

Deliberation:

The panel feels this project has an amazing level of complexity and lots of security issues on to deal with. It is a clear candidate for using GC/CM. The panelists appreciated the explanation about advancing the design prior to bringing the GC/CM onboard. With such a complicated project, it will be important to for SIA to maintain careful and open dialogue regarding risk allocation on the existing facility and throughout phasing. The phasing alone shows the complexity of this project.

Conclusion:

*Jason Nakamura made a motion to approve the project, and it was seconded by David Talcott. **Unanimous Approval (7/7)***

12:00 pm to 12:30 pm LUNCH BREAK

12:30 pm **NORTH MASON REGIONAL FIRE AUTHORITY DESIGN-BUILD PROJECT**
– *NMRFA Headquarters Fire Station*

Panel Chair: Jim Dugan

Panel: Thomas Golden, Dave Johnson, Art McClauskey, Jessica Murphy, Jason Nakamura, and David Talcott

Presentation: Beau Bakken, Project Director and Fire Chief, presented. The current facility for the North Mason Regional Fire Authority (NMRFA) was built in 1971 and no longer meets the needs of the community. They are in the process of procuring the neighboring 3.5 acres so they can combine and expand the facility as an Emergency Management campus. This campus will provide a precinct for the Mason County Sheriff's office, Mason County Department of Emergency

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Management as well as the NMRFA Headquarters and Fire Station. This project is a voter approved bond for \$10M and includes 5-6% construction contingency. The team has lots of experience and appropriate support for a successful project. This project meets RCW requirements for using Progressive DB.

Questions & Answers:

1. How will Hill's cost estimation role look moving forward once the Design-Builder is onboard? Hill's focus has been to deliver the best possible 3rd party estimates that is fiscally responsible to everyone involved. They will collaborate to ensure they are in alignment with the original intent. Will the procurement process include the builder and designer together vs. separate. They will be included together to ensure they meet RCW requirements.
2. The procurement schedule seems a bit aggressive. Can NMRFA meet it? They have worked with similar procurement schedules and been successful. They are confident with the schedule as it is set.
3. Regarding the statement around Subcontractor outreach scoring on a pass/fail basis, what happens if the applicant fails? It is a statute requirement to have a diverse business inclusion plan, but it is not a score able element, so following the DES example, the plan must be included in the proposal or the bid is considered nonresponsive and fails. Nonresponsive applicants will not be considered for the project.
4. What is the distinction between Charles Westover's role as project manager and Becky Blankenship's role as project manager? Charles will be the project manager 100% of the time through design, then as they transition into construction, Becky will take over and Charles will be available for consultation.

Public Comment: *No public comments.*

Deliberation:

All of the panel members expressed support for this project. The presentation and application clearly show that the project fits the criteria for Design-Build. Chair Dugan compared the City of Richland's fire station project with the North Mason Regional Fire Academy project as they are similar in size and complexity. Clearly the project satisfies the statute and team requirements. Even in light of the current circumstances of the world today, this project is essential to best support the community in North Mason.

Conclusion:

David Talcott moved to approve the project, and David Johnson seconded the motion. Unanimous Approval (7/7)

1:30 pm Adjourn