

CAPITOL CAMPUS DESIGN ADVISORY COMMITTEE

SEPTEMBER 18, 2014

1063 BLOCK REPLACEMENT PROJECT – *DESIGN Status Update*

PURPOSE: DISCUSSION

BACKGROUND

The 2013 Legislature initiated the 1063 block replacement project through an appropriation to the Department of Enterprise Services in the capital budget for the 2013-15 biennium (Sections 1109 and 7014, Chapter 19, Laws of 2013, 2013 2nd Special Session). The project's purpose is to:

- develop a state-owned facility as a model of high-performance and energy efficiency,
- establish an efficient office building in Olympia for executive and legislative agencies,
- improve the gateway to the state's Capitol Campus, and
- replace an existing state-owned building at 1063 Capitol Way South in Olympia, which is more than 80 years old and at the end of its useful life.

STATUS

Enterprise Services began staffing and preparing for the project in July 2013. Following a two-stage Request for Qualifications/Request for Proposals (RFQ/RFP) process, three design-build teams submitted proposals for the project on February 20, 2014. Since that time, Enterprise Services has completed or is in the midst of executing the following activities for the project:

- Selected an apparent successful submitter - the Sellen/ZGF team.
- Assisted the Office of Financial Management with finalizing a legislatively required financial report on cost implications of the project.
- Paid the City of Olympia and acquired ownership of the alleyway bisecting the property.
- Convened a public meeting to present the findings of a SEPA checklist.
- Continued investigations into the capacity of the overall Capitol Campus parking resource and 1063's projected impacts on future capacity.
- Issued a SEPA determination based on a final checklist document on June 3, 2014.
- Presented a status update on the project to the Capitol Campus Design Advisory Committee (CCDAC) on June 12, 2014.
- Finalized and signed a phased contract with the Design Builder and issued Notice to Proceed #1 for design services on June 21, 2014.
- Completing a series of Scope Validation meetings with tenant groups and special interest stakeholders to ensure that the design build submittal meets the needs of Washington State.

NEXT STEPS

Enterprise Services plans the following activities for the project:

- Conduct design review by CCDAC on September 18, 2014.
- Convene a public workshop on outdoor amenities and landscaping later in September 2014.
- Complete the 90 day Scope Validation period on September 26, 2014, and commencement of construction document production.

- Secure permits and begin demolition in early summer of 2015 pending clarification of Certificate of Participation financing.

If funded by the 2015 Legislature, the new building will be substantially complete by late summer of 2017.

ADDITIONAL BACKGROUND

The [legislation](#) (Sections 1109 and 7014, Chapter 19, Laws of 2013, 2nd Special Session) includes:

- A \$13 million appropriation that is solely for predesign, design, competition honoraria, project management, demolition and other planning activities, including permits. [Phase 1 design services will be paid from this appropriation.]

The current budget proviso includes:

- Approval for the state to enter into a financing contract for up to \$69 million to construct a new office building. [However, the sale of certificate of participation bonds is contingent on a lease rate of no more than \$26/square feet. The project is unable to meet this requirement, so funding of construction must be addressed in the next legislative session.]
- The new building must be built using the design build project delivery system, as defined in RCW 39.10, with a guarantee for energy, operations and maintenance performance.
- The scope of the building shall be between 200,000 and 225,000 square feet of office space, with Washington State Patrol identified as one of the tenants (the successful submittal is 215,000 square feet).
- This is phase one of a two-phase process that includes future demolition of the current General Administration Building.

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