CAPITAL PROJECTS ADVISORY REVIEW BOARD
PROJECT REVIEW COMMITTEE
Northwest Carpenters Facility
25120 Pacific Highway South
Kent, Washington
July 23, 2015
9:00 AM

Minutes

MEMBERS PRESENT

Ato Apiafi, Ato Apiafi Architects
Rick Benner, Western Washington University
Kurt Boyd, Valley Electric
Jim Burt, King County
Steve Crawford, Issaquah School District
Chuck Davis, Seattle Central College
Bill Dobyns, Lydig Construction, Inc.
Curt Gimmestad, (Chair), Absher Construction
Tim Graybeal, Integrus Architecture
Rustin Hall, ALSC Architects
Jonathan Hartung, SHKS Architects
Howard Hillinger, Parametrix
Phil Lovell, Turner Construction NW
John Palewicz, University of Washington
Darron Pease, Pease & Sons, Inc.
Tom Peterson, Hoffman Construction Co of WA
Paul Powell Jr., CPO Construction
Rusty Pritchard, Washington State University
Yelena Semenova, Department of Enterprise Svcs
Mike Shinn, Shinn Mechanical
Rob Warnaca, Mortenson Construction

MEMBERS ABSENT

Vicki Barron-Sumann, Minority/Women Businesses
Darrin Gillis, Skagit Regional Health
Ian Kell, Seneca Group
Jon Lebo, University of Washington (UW)
Shasta McKinley, Civil & Environmental Consultants LLC
Miriam Israel Moses, Rebound
Linneth Riley-Hall (Chair), Sound Transit
Joshua Swanson, International Union of Operating Engineers

STAFF, GUESTS, PRESENTERS

Kurtis Kingsolver, City of Tacoma
Eric Johnson, City of Tacoma
Tom Gow, Puget Sound Meeting Services
Tom Rutherford, City of Tacoma
Mark D'Andrea, City of Tacoma
Chris Larson, City of Tacoma
Sue O'Neill, City of Tacoma
Michael Slevin III, City of Tacoma
Joe Steinbrenner, Washougal School District
Rick Yeo, R&C Management
Adam Cormack, R&C Management
Vaughn Lein, LSW Architects
Casey Wyckoff, LSW Architects
Kevin Twohig, Spokane Public Facilities District
Mick McDowell, Spokane Public Facilities District
Wayne Leonard, Mead School District
Graehm Wallace, Perkins Coie
Randy Barber, OAC Services
Doug Fraser, Metro Parks Tacoma
Chris Heger, OAC Services
Robynne Parkinson, Thaxton Parkinson, PLLC
Matthew Walker, Hill International
Mark Wenzel, Anacortes School District
Marc Estvold, Marc L. Estvold, AIA Inc.
Kevin Oremus, Hutteball & Oremus Architecture
Jeff Shupe, Grant County PUD
Joe White, Grant County PUD
Scott Tomlinson, Vanir CM, Inc.
Ina Holzer, Vanir CM, Inc.
Stacy Shewall, OAC Services, Inc.
Eric Smith, OAC Services, Inc.
Bill Kent, DBIA
Shawn Mahoney, OAC Services, Inc.
Sheila Wald, Grant County PUD
Hans Hurn, Hart Crowser
Steve Johnson, OAC Services, Inc.
Ned Wendle, Mead School District
Grey Brown, OAC Services
Roger Stanton, Metro Parks Tacoma
Clayton Beaudoin, SiteWorkshop
Dan Chandler, OAC Services
Danelle Bessett, DES

Welcome & Introductions
Chair Curt Gimmestad called the Capital Projects Advisory Review Board (CPARB) Project Review Committee (PRC) meeting to order at 9:03 a.m.

A meeting quorum was attained.

Chair Gimmestad reported that because of the number of applications, the panel reviews would be divided between two meeting rooms. After the last panel review, members will reconvene in the main meeting room to participate in the last panel review of the Metro Parks Tacoma application for Heavy Civil GC/CM delivery. He noted that all applicants will receive formal written notification of the PRC's recommendation within 10 days.

Chair Gimmestad said the Monroe School District requested a special meeting in August to review a GC/CM application for the Park Place Middle School project. The bylaws stipulate the PRC could schedule a special meeting. He suggested scheduling the meeting on August 20 to afford time for panel members to review the application and submit additional questions. Howard Hillinger, Rusty Pritchard, Rustin Hall, Curt Gimmestad, Darron Pease, Tom Peterson, John Palewicz, and Mike Shinn offered to serve on the panel. Chair Gimmestad affirmed his intent to confirm the meeting with the Monroe School District and coordinate the meeting details with staff.

Public Comments
There were no public comments.

Meeting Minutes for May 28, 2015
Rusty Pritchard moved, seconded by Rustin Hall, to approve the minutes of May 28, 2015, as published. Motion carried unanimously.

Agency Certification Review – City of Tacoma for Design-Build (D-B)
Phil Lovell asked whether the answers to the questions previously submitted were received by the applicant. Danelle Bessett said the applicant had the option of submitting the questions prior to the meeting or addressing the questions during the presentation. Chair Gimmestad advised that in the future, staff would follow up with the applicants to ensure answers to questions are received prior to the panel's review.

Discussion ensued on the timing for ensuring the PRC receives responses to questions. Members agreed a standard should be established for receiving the information. Chair Gimmestad affirmed his intent to coordinate with staff to establish a process for ensuring the timely submittal of answers to questions submitted to the applicant.

Ms. Bessett commented on a template document utilized by the Capital Projects Advisory Review Board (CPARB) that spells out presentation expectations to the applicant.

Chair Gimmestad advised 13 affirmative votes are required to approve the DB Certification for the City of Tacoma. Each project panel has eight members assigned with six affirmative votes required to approve project applications.

Chair Gimmestad reviewed the presentation format and timeline. Approval of the certification requires a super majority vote. The applicant receives written confirmation of the decision within 10 business days.

Kurt Boyd arrived at the meeting.

PRC members provided self-introductions.

Kurtis Kingsolver, Public Works Director/City Engineer, City of Tacoma, reported the request is for Design-Build (D-B) certification. The City initially received certification in 2009 and recertified in 2012. Soon after, the Public Works Department was split into two departments governing public works projects and environmental services (utilities). Because of the reorganization, the City did not week recertification at that time, which is why the application has been submitted for consideration.

Mr. Kingsolver said the questions previously submitted by the PRC would be addressed during the presentation. PRC members received a written copy of the answers as well.

Mr. Kingsolver introduced several City employees. Eric Johnson, Assistant Division Manager, Environmental Services, was the project manager for the Central Treatment Plant. Tom Rutherford, Project Manager, oversaw the Murray Morgan Bridge Rehabilitation project, the first local agency-led D-B project utilizing federal funds. Mark D'Andrea is the Project Manager for the Pedestrian Crossing Improvement project, a smaller project currently in process. Sue O'Neil, Division Manager, oversees all D-B projects. Chris Larson, Division Manager, serves as the Engineering Division Manager.

Mr. Kingsolver responded to one of the questions previously submitted to the City seeking information on when internal Public Works D-B related experience and qualifications are considered. Generally, the City follows RCW provisions governing the cost threshold of projects, which was lowered to $2 million. The City utilizes a team approach and determines whether a specific project is suitable for D-B or GC/CM project delivery and whether the experience level is sufficient. If not, the project may be assigned to a project manager who has the necessary experience, as well as partnering with other employees with less experience to take advantage of mentoring opportunities.

Michael Slevin III, Environmental Services Director, City of Tacoma, reported the City has extensive experience in completing different types of projects. Currently, the City has approximately 700 employees between the two departments. A majority of completed projects were Design-Bid-Build (D-B-B). Projects completed under the delivery methods of GC/CM, D-B, 63-20s, and public-private partnerships are a smaller part of the City's project portfolio. When staff considers the delivery method for each project, the focus is whether an alternative delivery method is justified and would benefit the City based on available expertise, scheduling, and flexibility in specialty design. The City has completed a range of projects from wastewater treatment plants, highway bridges, to convention centers affording opportunities to complete alternative delivery methods when they make sense for the City and D-B community.

Several questions centered on the D-B honorarium. For the treatment plant and Murray Morgan Bridge projects, the City awarded $100,000 honorariums for each unsuccessful team. The honorarium is based on the project and project differences. One percent is often considered the norm; however, one percent can be problematic for the City while also acknowledging that $100,000 may not be the correct amount. A lower amount was awarded for the treatment plant honorarium based on the preliminary estimate. The Murray Morgan Bridge project was a much lower cost project than the treatment plant, and the City afforded an honorarium of $100,000. Today, the City would have increased the treatment plant honorarium given the complexity of the project. The City considers the technical aspects of a project and the difficulties of attracting competitive teams.

Management construction project controls are managed through critical path management. The City currently utilizes the E-Builder program to provide a good project control structure. The City is constantly audited and has internal financial controls in place. The City's bond rating for the utilities department is considered to ensure projects are scheduled correctly. There are many management structures in major cities within the state. The City of Tacoma has many of those same structures in place.

In terms of the Capital Facilities Program (CFP), the ability to manage capital facility projects and plans is embedded in the City's 2015-2020 CFP totaling approximately $758 million for 225 projects. The CFP is submitted to the state in compliance with the Growth Management Act (GMA). The City has the ability to meet all the requirements as specified in RCW 39.10. The City was audited on several of its projects and no findings were documented. The City has many different sources of funding in the Public Works Department with different requirements. Many of the Environmental Services Department projects were bonded requiring specific requirements by the bonding agencies. The Environmental Services Department recently received an increase in bond rating after completion of several major capital construction projects.

Mr. Johnson reported the City considered the method of project delivery when the scope of the Central Wastewater Treatment Plant was under development. In 2004/2005, it was difficult to locate other projects that had an operating wastewater treatment plant that was undergoing a major retrofit under the D-B delivery method. The team completed an

extensive evaluation of the delivery alternatives and selected the D-B delivery method as the City did not want to deliver a risky, complex project under D-B-B unless absolutely necessary. The City utilized many resources in the Midwest and East Coast in terms of similar utility plants for water and wastewater treatment plants that used D-B and GC/CM during facility operations. Staff spent several weeks visiting approximately a dozen city utilities and projects to learn about lessons learned. The team reviewed the information and selected D-B as the delivery method for the project.

The project was an extensive retrofit of an existing "brown field" treatment plant with very little green field left on the site. A two-step procurement process was pursued with a short list for the Request for Qualifications (RFQs) followed by a Request for Proposal (RFP) to the shortlisted teams. All construction management was managed by City staff. All staff members completed DBIA training.

The project's potential risks and complexities included:

- Treatment performance
- Extensive retrofit work while continuing to operate facility
- Ensuring high quality
- Geotechnical unknowns
- Unknown hazardous materials
- Equipment consistency with existing standards
- Past phased construction with less than ideal record info
- Regulatory approvals

Lessons learned included:

- Delivery method networking was recognized as important in learning about lessons learned by other utilities that had delivered similar types of projects across the nation. The City receives many calls from other utilities that are considering similar projects under the D-B delivery method. It was important to contact other utilities to learn from their projects.
- It's important for the owner team to complete DBIA training to ensure the entire team understood the D-B process.
- Other utilities stressed the importance of marketing the project and the team to D-B teams to attract the top firms. That advice was considered seriously and at debriefings following the project, that aspect was stressed as very important. It was a major element in soliciting interest from A+ teams to complete the project.

Mr. Rutherford reviewed the Murray Morgan Bridge Rehabilitation project.

The Murray Morgan Bridge was built in 1913 as vertical lift bridge over the Foss Waterway consisting of lattice column and girder construction, two fixed truss spans and lift towers. The Port approach includes a timber pile supported structure placed in 1957 with precast concrete. The bridge was added to the National Register of Historic Places in 1982 and named after a local journalist in 1997.

The State of Washington assumed ownership of the bridge in 1957 when SR 509 became 11th Street. When the new SR 509 was constructed south of the Port in the late 1990s, ownership of that portion of the road was relinquished to the City of Tacoma, as the state did not plan to spend the funds to rehabilitate the bridge with a plan to demolish the structure. A group of citizens formed "Save our Bridge" or the SOBs that marshaled public opinion and were able to convince the City Council to retain the bridge. In late 2009, the state relinquished ownership of the bridge to the City of Tacoma.

The City initiated the D-B RFQ/RFP in 2010, awarded the project in late 2010, and issued a notice to proceed in January 2011. The bridge was substantially completed in February 2013, near the time of the 100th anniversary of the bridge opening. One D-B team withdrew its proposal approximately one month prior to the due date for proposals. Because Federal Highway dollars were part of the funding package, the City was required to include general conditions in the contract language developed by the Washington State Department of Transportation (WSDOT) for its large SR 520 projects. Some language provisions were negotiated with WSDOT based on comments from the three shortlisted firms to

reduce some risk concerns. The firm withdrawing believed the contract was too risky and elected to withdraw from consideration.

The City of Tacoma elected to use D-B for several reasons. The first reason was a desire to work with a team with public design and construction experience. The team was experienced in working on several rehabilitations of movable bridges. The City also wanted a single point of responsibility because of previous problems between a contractor, the City, and the designer on another project. When the RFP was drafted, not all funding had been secured. Consequently, the project was developed as a base project with added alternatives. The City was able to secure the final source of funds at the time the final RFP was issued to enable the entire project scope to move forward. The City wanted the designer and the contractor working together to ensure innovation in design and construction was considered. The City was also funding the increase in emergency response costs because of the bridge closure and the goal was opening the bridge as soon as possible by pursuing D-B. The City was able to complete early design packages and start construction.

In terms of questions pertaining to the bridge honorarium, although the City did not have bridging documents, the City has completed an extensive structural feasibility study specifying the goals and scope of the project, which was provided to the design teams. The teams also received base maps and a Lidar surveys to assist the teams in preparing their proposals, as well as the as-built and shop drawings. In computing the honorarium, items requiring little or no design were discounted totaling approximately $9 million of the project, which included the painting portion of the bridge and other tasks such as over-grinding and overlay of the Port approach and replacement of steel elements that could be determined from the shop drawings to help the teams develop a proposal without expending additional design efforts. Other examples of D-B for bridge rehabilitation projects were examined to help determine the amount of the honorarium.

Many challenges typically exist in rehabilitation projects. This project was located directly over a Superfund site that involved remediation with boat owners, as well as relocating a Peregrine falcon nest on the bridge.

Mark D'Andrea described the City's $2.6 million D-B Pedestrian Crossing Improvement project designed to improve intersection safety for pedestrians and motorists. The scope of the project includes upgrading curbs, ramps, striping, installation of flashing beacons, and pedestrian signals. Right-of-way projects are typically funded by state and federal grants. Should the City include an accompanying utility project in the vicinity it may entail additional funds, as well as ADA funds or hazardous sidewalk funds to complete the projects.

Because of the lack of funding, the project was included on the project list pending receipt of funding and allocation of staff resources. In late 2013, some citizens striped some crosswalks during the night using various designs consisting of polka dots and different paint colors. The improvement wasn't allowed by regulations and subsequently, the City Council identified some one-time funding for pedestrian improvements across the City, which included the subject project.

D-B was selected primarily because the City has 60 intersections with 40 intersections including some type of heavy construction. Staff determined the project would be a good D-B project because it would enable a team to help the City advance the design and initiate construction projects sooner. One of the main goals was completing improvements quickly, which is one of the reasons the City selected the D-B delivery method. Staff also wanted to include qualifications and experience in the process. ADA grades at intersections can be challenging especially in areas with steeper grades. The City also wanted to have early contractor involvement with site visits at each of the intersections with both the contractor and the design team as a unified team.

Potential project risks and complexity included:

- Impacts to pedestrian and vehicular traffic
- Timely coordination and completion at multiple project sites
- Shallow unmarked utility locations
- Coordination with residents and businesses
- The number of grades

The project was the City's first $2-$10 million non-federal D-B project within the right-of-way. The City utilized a best value approach as well as progressive elements because of the lack of most bridging documents. It was necessary to include the contractor and the design team to assist the City with design at each location. Ongoing communication with the public was an important lesson because of the project. Public outreach was extensive with open houses, web surveys, and emails to websites called "Talk the Walk" generating over 600 responses. With information from the public, the City constructed the improvements and installed signs at each intersection.

Chair Gimmestad invited questions from members.

Mr. Graybeal requested additional information in terms of the distribution of experience on D-B projects. As mentioned, the organization has approximately 700 employees who have recently completed an organizational transformation under two different umbrellas. The presenters appear to have good project experience. However, three staff members among 700 employees is minimal. He asked for information on how the expertise is distributed between the two divisions to ensure an appropriate amount of expertise is in place.

Mr. Kingsolver said the employee base between both divisions includes many employees in different types of positions. The Engineering Division is a smaller employee base. The project management team in the Engineering Division numbers approximately 25 employees. Although the organization as a whole is large, both departments share resources and costs and act as one to ensure the best fit for each project.

Mr. Slevin added that the City had a much siloed traditional public works department with over 700 employees and nearly 2.5 times larger than any other department in the City. The new City Manager acknowledged a movement across the country reflecting how environmental and utilities are separating from public works. One of the challenges is maintaining the partnership and coordination between the departments with staff working closely with the Engineering Department. The construction management section includes 70 FTEs. During a review of annual projects, those projects identified for the D-B delivery method are staffed appropriately in addition to completing an internal analysis of resources. Mr. Slevin said he was the GC/CM project manager for Tacoma Convention Center. The City has completed many alternative delivery projects exposing staff to different projects.

Mr. Johnson added that the Environment Services Department includes three employees with over 20 years of professional engineering experience assigned to the centerfuse upgrade project. Those employees have been involved in training with DBIA for the last six years and regularly attend DBIA training sessions. The two departments work closely together.

Mr. Pritchard questioned the authority and responsibility for negotiating contracts with the design builder. Mr. Kingsolver replied that he has the ultimate responsibility, but it filters through Mr. Larson and Ms. O'Neill for the larger projects. He is less involved in smaller projects. The former director was very involved in the Cheney Stadium project.

Mr. Hillinger asked about the outcome of the projects in terms of completion, savings, and success compared to other traditional projects. Mr. Slevin replied that the alternative delivery methods are selected for different reasons. The treatment plant was a very complex project as the operations of the plants was ongoing while the improvements were in progress. The design required the expertise of a designer well versed in treatment plants and in the operational requirements of plants. Only one misstep occurred in the plant and that happened after the completion by maintenance staff, which was identified as a training error. Completion of the project was incredible because of major construction completely changing the operational process of the plant with only one minor misstep in the NPDS reporting procedure. The driver for using D-B was the complexity issues and identifying a team that would ensure water quality requirements and maintain permit requirements.

The intersection projects had different requirements, such as speed in completing the improvements. The City was able to utilize the expertise of the contractor and the design community to complete the projects quickly to satisfy taxpayers. There are different reasons for choosing the delivery method, which are examined by staff.

Mr. Hillinger asked how the intersection projects performed in comparison with the Tacoma Convention Center. Mr. D'Andrea reported the intersection projects are currently ongoing. The benefit of using D-B related to speed. The City concluded its five-month average project in July with a signed D-B contract in September with work beginning in October, which wouldn't have been possible under D-B-B. Having the designer working closely with the contractor ensures progress on the intersection projects while teams are completing intersection projects and moving to the next intersection project.

Mr. Burt asked about the protocols employed to ensure adherence to SEPA and NEPA review requirements. Mr. Rutherford replied the NEPA environmental review was completed prior to finalizing the RFP. The draft RFP included all NEPA applications and documentation, which were utilized for the basis of the proposals. When the RFP was finalized, the City received NEPA approval and was able to make minor modifications where necessary.

Mr. Davis asked whether the department has developed any standard guidelines for determining methods of project delivery, and whether best practices have been developed and, if so, would other agencies have access to the information. Mr. Slevin advised that the department hasn't developed a standard operating procedure for determining the method of delivery. However, the department knows which projects could be accomplished and understands project scheduling, funding issues, and complexity issues associated with projects in the CFP. Staff completes an internal analysis through a brainstorming process. Initially, the Tacoma Convention Center project was considered for D-B delivery, but eventually became a GC/CM project because of costs. There are different drivers for determining the type of project delivery. City staff understand which projects could be accomplished as a D-B-B. When other drivers are present or the project falls outside the existing comfort zones, alternatives are considered to ensure the best value is provided to the public.

Mr. Kingsolver added that when the project threshold was lowered to $2 million, it changed the process for the department. Many of the City's projects fall between $1 million and $10 million. The City proposed a ballot measure for $30 million for roads. D-B is the project delivery that would be used should the initiative pass.

Mr. Lovell referred to the flowchart within the application outlining the contracting method assessment and approval process. The first item on the flowchart is determination of whether GC/CM will be used for a project under $2 million. He asked for additional information in terms of what the rationale is for utilizing that delivery method for a project so low in cost. If so, the flowchart indicates that the project proposal would be presented to the PRC for approval. He was under the impression that the City is currently certified for GC/CM project delivery. Mr. Rutherford affirmed the flowchart was submitted in a prior application and isn't reflective of the City's current flowchart. Ms. O'Neill added that the flowchart reflects the process the department undertakes lacking a written formal procedure. The flowchart was developed for the initial application to the CPARB in 2009, which has since been modified with the new threshold established at $2 million.

Mr. Slevin said the department doesn't utilize the flowchart for every project. When considering individual projects, the driver is based on numerous factors.

Mr. Warnaca referred to the three projects that have been referenced in terms of the process and delivery method. It appears that two of the projects underwent a two-step RFQ/RFP with technical proposals and a fixed price proposal followed by a best and final offer process. He questioned whether that process is the preferred method, as it appears to add a third step to a two-step traditional method. He asked about the rationale for that particular process.

Mr. Rutherford said that because one of the teams withdrew from the Murray Morgan Bridge project, one of the proposals did not follow some of the technical guidelines for adherence with WSDOT requirements. WSDOT recommended having the applicants resubmit proposals in conformance with those requirements.

Mr. Johnson said the City did not initially plan for a backhoe option. The contract included the option of a backhoe process. Initial submittals included four short-listed teams. The fourth team withdrew its application. Several issues arising during the RFP process generated the need for a straightforward and simple backhoe option.

Chair Gimmestad closed panel questions and invited public comment. There were no public comments. Chair Gimmestad opened panel deliberations.

Mr. Pease shared that he's been involved in several of the City's projects and affirmed the experience level of City employees to complete D-B projects.

Mr. Pritchard said his questions also pertained to the flowchart within the application and was interested to know whether the process had been codified. However, his sense is that the City has the necessary experience.

Mr. Lovell agreed the City has a process for making project delivery determinations. It appears the process is more formalized than conveyed during the presentation. The City has a rigorous process to determine the use of an alternative delivery method and the appropriate type. He's supportive of the application.

Mr. Hillinger expressed appreciation for the sharing of information on lessons learned and is impressed with the willingness to share the information and develop new methods for smaller projects with other entities. He expressed appreciation for the City's commitment for professional certification, training, and in the application of best practices.

Mr. Hall said the answers to the questions and the presentation provided evidence that the City reached out to the design and construction community to understand what risk represents in terms of the personnel qualified for competing for the project. It's disappointing when qualified firms do not submit proposals because of the financial risk level. It's important qualified firms are approved for the projects. He's appreciative of the City's sensitivity in that respect and in recognizing that D-B-B still works and that the other methods are alternatives. When the alternative trumps the traditional method, that's when it should be selected.

Mr. Apiafi commented on the small value of the project, but overall was satisfied with the presentation.

Mr. Warnaca said he's also worked on several of the City's project with the most recent the D-B Cheney Stadium project. The City was equipped to manage the D-B process and effectively used proprietary meetings and embraced many DBIA best practices. The City is well-qualified for D-B project delivery.

Tom Peterson moved, seconded by Steve Crawford, to approve the City of Tacoma D-B Certification. Motion carried unanimously.

Washougal School District GC/CM – Jemtegaard Middle School, Excelsior High School, & New Elementary School

Panel Chair Chuck Davis and panel members John Palewicz, Phil Lovell, Jim Burt, Rusty Pritchard, Rustin Hall, Curt Gimmestad, and Jonathon Hartung provided self-introductions. Panel Chair Davis reported the presentation is the second attempt to seek GC/CM project delivery approval by the school district after the first panel believed that although the project qualified for the delivery method, the panel was uncomfortable with some of the information provided. The school district was invited to reapply. Panel Chair Davis reviewed the presentation timeline and format.

Joe Steinbrenner, Director of Facilities and Operations, Washougal School District, reported the project involves three new K-12 schools located on two separate sites. The project was originally presented to the PRC on May 28. Based on the panel's feedback, it was apparent the team had some work to complete to meet the requirements of RCW 39.10. The team considered the panel's comments seriously and improved the team's capabilities and approach to the project.

The project meets the criteria as a GC/CM project because of construction on occupied sites, the Jemtegaard Middle School project requires Columbia River Gorge Commission approval, and the project includes complicated phasing caused by school over-capacity with no surge space available during construction.

To address the concerns specific to the team's GC/CM experience, the construction management team completed the AGC/University of Washington GC/CM training program, as well as contracting with Howard Hillinger with Parametrix as a GC/CM consultant for the project.

Mr. Steinbrenner introduced project team members.

Rick Yeo, R&C Management, said his construction experience spans 42 years. He worked for the same company for 34 years beginning as an apprentice and retiring from the firm as an executive. He formed R&C Management, a construction management firm eight years ago. His GC/CM experience includes the $40 million remodel of Evergreen High School and construction of the Crestline Elementary School in addition to numerous other CM/GC projects.

Howard Hillinger, Parametrix, reported on 30 plus years experience within the construction industry, his experience as a standing PRC member, and his experience on several GC/CM projects to include two projects for Tacoma Schools and the Pullman Dock for the Washington State Ferries.

Adam Cormack, R&C Management, said he has over 11 years experience managing K-12 school projects and construction bonds. He also has GC/CM experience and completed the AGC GC/CM training.

Casey Wyckoff, LSW Architects, reported on his 19 years experience as an architect. He is the principal in charge of all Washougal School District projects. His focus is on educational projects and he recently worked on three GC/CM projects for the Ridgeway School District and Crestline Elementary School. He introduced Vaughn Lein, LSW Architects, who is supporting the project. Mr. Lein previously served as a Columbia River Gorge Commissioner for eight years.

Mr. Steinbrenner said another member is Dick Prentke, Perkins Coie, the project's legal counsel.

Mr. Steinbrenner displayed the team's organizational chart. He, Mr. Hillinger, and Mr. Yeo will work closely together on the project.

Mr. Yeo described the projects. The three schools located on two sites total 121,000 square feet with a budget of $51 million. The Jemtegaard project encompasses two schools under one roof – Jemtegaard Elementary School and Jemtegaard Middle School. The square footage of the project is 110,000 with a project budget of $46.8 million. The second project is Excelsior High School. The project replaces existing portables currently housing the high school. The 11,000 square foot project has a budget of $4.9 million. Both sites are challenging with very steep terrain on two sides of both sites. The project builds next to existing schools and includes multiple phasing.

Under RCW 39.10, an applicant must meet only one of the criterions while this project has met four of the five criteria. None of the existing buildings has any historic significance. The first criterion requires the project to have scheduling, phasing, or coordination. The phasing of both projects is extensive. Currently, efforts are underway to site the Jemtegaard project on an existing level area, which encroaches on the existing school. The location of the new school includes an existing track and football field to be abandoned. After completion of the school, the existing Jemtegaard School will be demolished and students will move to the new facility followed by the construction of temporary staging for public parking and bus loadings. After demolition is completed, new parking will be constructed. The old parking lot will be demolished and rebuilt as ballfields.

The second criterion is an occupied facility. The Jemtegaard site currently houses 600 students and Excelsior High School houses 90 students. The athletic and sports fields are used the entire year. The Excelsior site includes no parking or staging space. Staging is anticipated to be at the Jemtegaard site with material ferried between the sites as needed.

The need for a GC/CM early in the process will assist in some site-specific plans to ensure the safety of students, faculty, and the public during the construction project.

Another requirement is early involvement of the GC/CM in the design and procurement process. The Jemtegaard school site project of 110,000 square feet could be completed within a year. The importance of the GC/CM is to maintain the project schedule. The contractor will assist in producing the steel package by March 2016. The advantage of hiring the civil contractor early in March and April will assist in the package bids and in the final decisions. Both contractors will help coordinate the permitting with the Columbia River Gorge Commission.

The criterion requiring the site to encompass a complex and technical work environment is achieved as the Jemtegaard school site slopes by 35 feet from the new school with multiple grades throughout the project. The Columbia River Gorge Commission approval is substantially subjective.

Mr. Wyckoff said the Commission's review is similar to design review process but much more subjective and involves site grading, siting of the property, materials, and design adaptability of the team for rendering design decisions.

Mr. Yeo reviewed the public benefit of GC/CM delivery method. The process will reduce the construction schedule, increase public safety through specific job safety plans, and save public dollars by informing the design and increasing the overall schedule and reducing general conditions.

The team developed a specific management plan approved by the school board that provides direction on the roles of each team member. Roles and responsibilities are identified in the form of a log to track all deliverables from preconstruction, as well as developing multiple procurement schedules. The first schedule is a milestone schedule for the selection of the GC/CM. Ads have been prepared for publishing next week.

Mr. Hillinger clarified that the process was revised to ensure the final proposal selection occurs after the interviews and establishment of the short list. A week is allocated on the schedule for delivery of the final proposals, which should be adequate because the draft RFP will be published.

Mr. Yeo highlighted some of the important milestones. Interviews are scheduled on August 21 followed by the issuance of the final request for final proposals on August 24. Final proposals are due on August 31.

The log of roles and responsibilities includes assignments for the development of contracts and general conditions through the final MACC. Each one of the 15 line items has drop down tabs of 8-12 subcategories.

Mr. Hillinger pointed out that he, Mr. Steinbrenner, and Mr. Yeo will share the responsibility for generating the RFP and completing the contracting process. The team also includes an experienced budget manager.

Mr. Yeo presented the design and construction milestone schedule. Within the last several weeks, the schematic design process was initiated. Critical dates include the construction date of mid-July 2016 and completion by July 2017. The project schedule reflects both school projects. Red lines within the schedule are in anticipation of a delayed Gorge Commission approval. If that delay occurs, the delay would impact the schedule and increase project costs. It's important to hire the contractor early to assist in minimizing that risk.

Mr. Wyckoff noted the red outline within the schedule would apply if the project were completed as a D-B-B project.

Mr. Yeo reviewed the budget of $51 million equating to approximately $268 a square foot, which is an adequate amount for the project. Necessary steps were taken to avoid any pitfalls. Budget contingencies represent 15% and are above the construction budget of $32.5 million. A risk reserve contingency is also included of nearly $2 million comprised of district funds for expenditures on other facilities if the project is completed in 2017.

Panel Chair Davis invited questions from panel members.

Mr. Lovell noted the answers to some of the questions with respect to control, budget, schedule, and tracking the projects separately indicated that the GC/CM RFP and RFFP documents will include the following parameters for each campus and school: MACC, milestone schedule dates, preconstruction services budget, listing of required key personnel, key district and project goals and objectives, key programmatic objectives, and other commitments including environmental and community/stakeholder commitments. He asked how the team plans to differentiate preconstruction costs between the two projects. Mr. Hillinger responded that the team hasn't identified the budget at this level and tracking hasn't been settled at this point. However, it's likely that because services would be provided concurrently, the preconstruction budget would be combined for the two projects. The intent is that the MACC would be established for each school in the event the schedules change to afford the ability to track the MACC and supplementary general conditions.

Mr. Lovell referred to the red line schedule pertaining to the Columbia River Gorge Commission. He agreed that if the Columbia River Gorge Commission decision should be delayed it would impact costs and schedule. He asked about the potential scenario should the entire process begin to break down or the schedule begins to enter into the red territory within the schedule, such as a breakdown between the GC/CM contractor and the school district. He asked whether the team has developed a contingency plan to address that potential scenario. Mr. Yeo said the school district is prepared to have a year delay in project completion if the need arises. However, before the MACC is established with the contractor, the amount of unknowns will be diminished substantially. If some items are unresolved, they likely could be negotiated through the contract and MACC process.

Mr. Lovell asked how the lack of parking at the high school and whether buses would provide transportation for workers. Mr. Steinbrenner replied that on-street parking is available. Current practice by the district includes parking school buses on City streets overnight. The parking lot area will not be available. Although, the site incorporates a small staging area for materials, larger materials will need to be stored offsite.

Mr. Palewicz said based on his experience as an owner and working with many contractors, the schedule appears to lack sufficient time for the contractors to respond to the RFP and for the selection team to make a decision within several days. The process appears to be too rushed. Mr. Yeo said the team would depend on feedback from the construction community and whether an addendum should be issued to provide additional time. If additional time is required, the team is prepared to afford that time. Mr. Hillinger added that outreach is planned with the construction community, as well as providing the draft RFP. Mr. Yeo noted the construction community is also aware of the project and has contacted the school district.

Mr. Pritchard supported the extension of time. He asked about the process the team plans to use to identify the services and the amount for those services with respect to the previous submittal and the preconstruction services estimate of $35,000, which the panel believed wasn't adequate. Mr. Steinbrenner reported the budget includes $100,000 for the Jemtegaard site and $25,000 for the Excelsior High School site. Mr. Hillinger added that the services are primarily for scheduling and estimating support. The team is currently developing the scope and the overall budget. He's provided the team with some example scopes of work. It likely will expand within the budget during the negotiation process.

In response to additional questions, Mr. Hillinger affirmed the team has a matrix documenting inclusions and exclusions in the MACC based on the cost matrix, as well as a budget number for negotiated support services.

Mr. Pritchard asked the team to identify those costs within the budget. Mr. Yeo referred to the response to the questions. The information is itemized on page 2. Both schools are listed separately. The parameters of the preconstruction services agreement include many pages of preconstruction services, as well.

Mr. Hartung said since the submittal, the team added the services of Mr. Hillinger. He asked for confirmation that the internal budget has been adjusted to accommodate the services provided by Mr. Hillinger. Mr. Wyckoff affirmed the budget reflects the additional services provided by Mr. Hillinger.

Mr. Hall asked whether the Columbia River Gorge Commission could potentially prevent the project from proceeding. Mr. Wyckoff said the Commission doesn't have the authority to prevent the project from moving forward; however, it is a negotiated process involving collaboration between the entities. Mr. Hall asked whether the risk reserve of $1.9 million accounts for any costs associated with delays. Mr. Steinbrenner affirmed the budget item includes 5% escalation per year. Mr. Hall asked whether the budget amount should also include additional professional services or additional preconstruction services as it appears there may be an additional requirement to review documents. Mr. Steinbrenner said the contingency would cover those additional costs of the project.

Mr. Burt asked whether the school district contracted with Mr. Hillinger. Mr. Hillinger said he reports to both Mr. Steinbrenner and Mr. Yeo with a direct line to Mr. Steinbrenner. He contracted with R&C Management rather than with the school district for expediency reasons.

Mr. Lovell asked for verification that the process involves only one short listing process. Mr. Hillinger said the intent is to short list after the interviews. Mr. Lovell said he believes short listing after the interview is not allowed. Mr. Yeo noted that it's unknown at this time whether it will be necessary to short list again. It's likely proposals will be submitted by all interviewees. Mr. Hillinger said he understood it's possible to develop an additional short list after the interviews, but would not advocate to the client that they secure a price from a contractor and then not be willing to work with them.

Panel Chair Davis invited public comments.

An unidentified citizen stated that as a parent and being recently involved in a GC/CM project, he understands the challenges associated with the project. He believes the GC/CM delivery method is the right approach for this particular project, as everyone will be working to achieve common goals, which is difficult to achieve. Additionally, the University of Washington has shortlisted again after conducting initial interviews.

Panel Chair Davis closed public comments and invited the panel's deliberations.

Mr. Gimmestad said he wasn't a member of the prior panel, but after listening to the presentation and the information provided, it appears the management plan and level of understanding has been significantly improved. He comfort level has increased and he supports approving the project application.

Mr. Hall echoed similar comments. It's likely the panel agrees the project meets the qualifications for GC/CM delivery.

Mr. Hartung said that knowing the applicant had been invited to reapply, the addition of Mr. Hillinger to the team was important to solidify the needed expertise on the GC/CM side. The project clearly is appropriate for GC/CM.

Mr. Lovell said the proposal was considerably improved and he's supportive of the project. However, the potential second short listing is an issue he's previously addressed. Approximately two years ago, the CPARB and its subcommittee completed a best practices study and authored a white paper on subcontractors including Design-Build subcontractor prequalification criteria. Initially, it addressed subcontractor prequalification. For subs, undertaking a prequalification process (RFP) and inclusion on the short list requires the owner to allow each shortlisted firm to bid. The concept of short listing again after an interview for GC/CM selection could be subject to some questioning from the marketplace.

Panel Chair Davis asked Chair Gimmestad to obtain some clarification from the CPARB regarding the second short listing process.

Mr. Palewicz said he initially supported both the project and the team and agreed the school district has developed a strong team. It was important Mr. Yeo attended because his absence at the first presentation led to some discomfort by the panel. It's also important to acknowledge that the school district reapplied and considered the advice from the PRC.

Mr. Pritchard said the team answered the three questions that centered on the concerns from the prior presentation. The school district now has a stronger team and although the bid opening was an issue, it appears the team has worked on the process and as long as the team is cognizant of the marketplace and affording some flexibility that should address those concerns. The preconstruction services element was also one of his concerns and he's appreciative that the amount was increased.

Panel Chair Davis said the initial presentation confirmed that the project was appropriate for an alternative delivery method. The issue wasn't that the project didn't meet the criteria. It's important that the team reapplied and demonstrated the necessary experience and team that's required to use the alternative method. All PRC members are strong supporters of alternative methods. The success of each project is critical to maintain the use or the availability of alternative delivery methods. When the PRC questions an applicant, it's within that parameter to protect the availability of alternative delivery methods in the future.

Phil Lovell moved, seconded by John Palewicz, to approve the Washougal School District GC/CM Project Application for the Jemtegaard Middle School, Excelsior High School & New Elementary School projects. Motion carried unanimously.

Project Application Review - Spokane Public Facilities Design-Build – Spokane Sportsplex Project

Panel Chair Tim Graybeal reviewed the presentation format and timeline. Panel members Bill Dobyns, Rob Warnaca, Rick Benner, Tim Graybeal, Steve Crawford, Kurt Boyd, Tom Peterson, and Ato Apiafi provided self-introductions.

Mick McDowell, Chair, Spokane Public Facilities District, reported he is the Project Committee Chair. The project committee was established 12 years ago and oversaw the Convention Center and subsequent expansion project. He introduced members of the team. Robynne Parkinson has represented owners for the last 25 years and has authored a significant amount of the legislation. Ms. Parkinson is a valuable member of the team. John Palewicz with the University of Washington will provide technical experience. Matthew Walker, Hill International, will serve as the Project Manager. Kevin Twohig, Chief Executive Officer, Spokane Public Facilities District, will serve as the contact for the owner's representative.

Mr. McDowell said the Board believes its evolution from a GC/CM project to a D-B competitive project affords an opportunity for the Board to pursue a Progressive D-B process. The Board's commitment is reflected in completion of training by Ms. Parkinson through the DBIA. He received certification as an associate, which was important to ensure the Board was well versed in the delivery method. It's also a natural evolution for the Board to take the next step provide input to the PRC upon completion of the project.

Mr. Twohig said he's been in the construction industry for approximately 40 years. The environment has been challenging and has offered a good learning experience in the Board's progression. The Progressive D-B project is driven by goals and visions to integrate the design builder and contractor at the beginning of the project through construction. The project is a sportsplex, which is a rare facility, as only six exist in the entire country. The first step is developing the team to include the design builder to afford the entire team an opportunity to visit other types of facilities across the country. In prior projects, the team visited other similar projects to learn about the project, lessons learned, and what would have been done differently to avoid repeating another project's mistakes.

The project was initiated nearly 10 years ago under the Spokane Sports Commission. Some studies for facilities were completed but never pursued. In January 2015, the Convention Center expansion project was completed affording time for the Board and Project Committee to consider other ideas. Within a month, the Board supported moving forward. Contact was initiated with the City of Spokane and the County. Both entities became engaged with the county considering a large parks bond issue that could include the sportsplex. The City offered a parcel of property for the sportsplex. The Board, City, and County negotiated agreements with the county agreeing to sponsor a 2016 bond measure to help fund the project. The facility would be owned and operated by the Spokane Public Facilities District (SPFD). The Board committed resources to the project and hired an industry expert, Sports Facilities Advisory (SFA). Typically, when SFA constructs sportsplex facilities, the agency also operates the facilities. This model is different because SPFD will own and operate the facility. SFA's advisory report should be available in the next five weeks during the early stages of the process. The study will be published and available to all firms competing for the project.

Mr. Twohig reviewed the project schedule. Spokane County has indicated the bond measure will be on the April 2015 ballot. The county has strategically located park projects around the City of Spokane and pursued community surveys to identify future needs. The proposal is a City of Spokane facility that fits within the larger county parks vision. To meet the ballot deadline, schematic design and budget are required by January 2016. The intent is hiring a design builder by October 2015 to afford some ideas of a planned facility completed by a team. To validate the timeline, the draft selection schedule was sent to seven firms. Approximately half of the firms responded with one request to extend one of the phases within the schedule. Feedback from the community is indicative that the project is possible.

Mr. Walker provided details on the selection schedule. Pending PRC approval of the project application, the RFQ will be issued for advertising the project. An informational meeting will be scheduled to enable questions on the proposal and to provide more familiarity of the proposal to proposers, as well as scheduling a visit of the site. Statement of Qualifications

(SOQs) are due on August 18 at which time the evaluation committee will review the SOQs based on the bidding criteria and the RFQ document. On August 24, all shortlisted firms will be announced for moving forward to the RFQ phase. SPFD is also prepared to provide scoring summaries to those firms not selected per RCW 39.10.330.

The goal is to issue the RFP document by August 27 with proprietary meetings scheduled on September 10 to provide an opportunity for the teams to interact with the evaluation committee and learn more about project expectations and goals. Proposals are due on September 18, at which time the Evaluation Committee will review the proposals against RFP scoring criteria. Selection of the firm would be announced on September 30 along with a selection summary describing the results of the process. The goal is to contract with the design builder early in October with a notice to proceed and substantial completion of the project by December 2017.

The project budget is approximately $27 million with construction costs (design & construction) of $20 million. The owner contingency exceeds the 5% requirement totaling $1.7 million.

Ms. Parkinson reported she is the counsel for the SPFD. She described the process for the procurement contract for the project. The project will be a Progressive D-B delivery method. The delivery method doesn't request design solutions from any of the proposers, but each of the proposer's past performance will be considered in terms of the types of projects previously completed. The RFQ will focus on past performance and projects of similar scope to assist in developing a project team. After the RFQ process is completed, proposers will be asked to prepare a RFP and explain what the firm can contribute to the project. The RFQ focuses on experience while the RFP focuses on ideas for project management. The Evaluation Committee is not considering designs for the project but will focus on designs completed for previous projects, as that information is a greater indicator of what the firm can accomplish in the future. Although the deliverables are low, the procurement process can proceed quickly.

Proprietary meetings are a great way to gauge synergy to evaluate how well the team can work together, as well as seeking some price related factors that are based on assumptions understanding that the final project costs haven't been finalized. All price related factors will be based on assumptions, and should those assumptions change, renegotiations would occur. The development period prior to the bond will not be considered a full validation period because there is insufficient time and that kind of effort doesn't make economic sense prior to the bond. However, the information should provide a good idea of scope as well as some good budget figures that are sufficient for a bond measure. At that point, the design builders will pause and assist in securing the bond passage through marketing efforts. If the bond is approved, the validation period begins to develop the guaranteed maximum price.

The project meets criteria in the statute because of the following reasons:

1. The project is highly specialized. Many of the project components are highly specialized. There are few sportsplex facilities in the country. Expertise from the supplier must be incorporated within the design of the facility. The delivery method in the state that allows for that process is D-B or GC/CM.
2. The D-B contractor will design and deliver the project and needs to be involved early.
3. Significant savings in the project delivery time. A number of statistics and studies demonstrate how Progressive Design-Build is the only method that would effectively work for the project.
4. Substantial fiscal benefit. Enabling the design builder involved at the pre-bond stage to assist in defining the project cost provides savings of time, as well as substantial fiscal benefits to the community as the project moves forward quicker.

Mr. Twohig addressed the questions submitted by the PRC. Answers to the seven questions were submitted in written form. The request to the PRC is to approve the project to enable the team to proceed with the delivery method that is believed will benefit the schedule. The complexity of the project, size of the site, and the budget are the driving factors for pursuing approval of the D-B delivery method. A major reason is also the opportunity for collaboration as the team needs assistance with the project. Following the selection process, the team will travel to Birmingham, Alabama to visit a site and seek answers to questions.

Ms. Parkinson addressed two questions submitted by the panel. In terms of risk management, the early involvement of the design builder will limit financial risk because the design builder will develop the initial budgets in collaboration with the district creating equity in the process for the design builder. Although the budgets will be based on assumptions agreed between the parties, it does limit financial risk while also limiting the risk of inflation. Ms. Parkinson said as the outside counsel she is responsible for drafting D-B and alternative procurement contracts and relies on in-house team members. Stanley Schwartz is the outside counsel and was previously with the City of Spokane as an Assistant City Attorney. Mr. Schwartz serves as counsel for a number of agencies. When cities require additional assistance on D-B projects, Ms. Parkinson assists in supplementing that support.

Panel Chair Graybeal invited questions by the panel.

Mr. Peterson asked about the process for determining which firms received the initial notification. Mr. Twohig responded that the information was forwarded to known contractors likely to respond to the solicitation. Only the schedule information, type of project, and procurement method was included in the solicitation. Four responses were received.

Mr. Apiafi commented on the pluses and minuses of the proposal. One minus is the number of assumptions. The second is the internal resources with respect to the number of external resources. It appears there is a game plan to mitigate the challenges. Overall, he is very confident with the presentation.

Mr. Dobyns said it appears $450,000 is allocated for pre-bond costs. Assuming the bond should fail, he asked how that issue would be addressed contractually, as well as ensuring proposers are not spending funds unnecessarily. Ms. Parkinson said the intent is negotiating with the design builders during that process. There are a number of ideas contractually when terminating a contract. The bond will be an understood risk for both parties and it will entail negotiations with the understanding that the bond might not pass. The party will not be asked for any deliverable outside of a commercially viable and feasible project.

Mr. Peterson asked whether the design builder would report to Mr. Walker. Mr. Walker advised that Mr. Twohig is heavily involved in the project. Mr. Twohig said the SPFD structure dictates the Board as the decision-maker of large dollar decisions with the Project Committee having authorization as well. He also has a fair amount of authorization. The specifics of authorization can be further quantified for the PRC. In general, he is responsible for day-to-day operations with daily reliance on Mr. Walker.

Panel Chair Graybeal invited public comments. There were no public comments.

Panel members deliberated on a recommendation. Additional comments are summarized below.

- The project is a well thought out proposal covering all the aspects. The process is well suited for the project and particularly appropriate for developing a substantial package to present to the voters.
- Impressed with the comments for involving the design builder early in the process and visiting similar venues to consider lessons learned.
- The project proposal was well developed having had experience with D-B. It was wise to include Ms. Parkinson and Mr. Palewicz on the project team.
- Supportive of previous comments as the ownership team paid attention and provided thought in balancing the risk management/risk sharing side of the process by hiring an expert, as well as considering the highly collaborative benefits that Progressive D-B provides to engage a team early prior to determining price, scope, and program to develop a common theme.
- Support the project and the delivery method. As a member of several panels, more of the applicants are gaining knowledge and refining processes. The continued education and involvement of the district is appreciated, as well as the quality of the products produced.

Tom Peterson moved, seconded by Howard Hillinger, to approve the D-B Application for the Spokane Public Facilities District Sportsplex Project. Motion carried unanimously.

The meeting was recessed for lunch.

Project Application Review – Anacortes School District GC/CM – Anacortes High School Project

Panel Chair John Palewicz reviewed the format and timeline of the presentation. Panel members Paul Powell, Mike Shinn, Chuck Davis, Rusty Pritchard, Phil Lovell, Rustin Hall, and Jim Burt provided self-introductions.

Mark Wenzel, Superintendent, Anacortes School District, reviewed the presentation agenda:

1. Team introduction
2. Background
3. Project Description
4. Reasons for using the GC/CM process
5. How project meets RCW 39.10.340

Mr. Wenzel said he is entering his third year as Superintendent of Anacortes School District. Previously, he was the superintendent of an eastern Washington school district for five years. He's been involved in several construction projects in the capacity as superintendent and as a communications director.

Lisa Matthews, Executive Director, Finance and Operations, reported she has been with the school district for approximately eight years and prior to her employment with the school district was employed by the Port of Anacortes.

Marc Estvold, Project Manager, Marc L. Estvold, AIA Inc.; Kevin Oremus, Principal in Charge, Hutteball & Oremus Architecture; Scott Williams, Project Architect, Hutteball & Oremus Architecture; and Kaitlin Pond, Architect, Hutteball & Oremus Architecture, provided self-introductions.

Mr. Wenzel provided an overview of the project. The project is important for the community of Anacortes, a city with a population of 15,000 people with 2,700 students attending schools within the Anacortes School District. The school district has one high school. A recent poll revealed a high level of trust placing the school district in the top three percent of public entities for public trust. The school district has worked extensively to build a collaborative relationship with the community and successfully passed a $90 million bond for school improvements.

The high school project is complicated involving renovation of the school gym and theater and new construction of a stadium and school facilities. Logistics will be complicated in terms of working around students during construction. The community was very involved in preparing the bond proposal with a Facilities Committee spending months to develop the ballot measure to ensure voter approval. The measure passed with 63% approval.

A Project Advisory Team was established of major stakeholders from the community to assist in providing design ideas to support the learning environment.

As the complexity of the project was considered and how best the district could deliver the project, more dialogue focused on the GC/CM delivery method. Mr. Estvold was hired as the Project Manager. The school board reviewed Mr. Estvold's qualifications and received a comprehensive presentation from Mr. Estvold. Mr. Wenzel reported he contacted former colleagues in other school districts to provide input on the project. Both colleagues agreed the project was right for GC/CM. The goal is ensuring the delivery method serves the community and enables the school district to deliver a project as effectively as possible, as well as ensuring the availability of in-house capacity, knowledge, and wherewithal to move forward with GC/CM. After researching and investigating all those aspects, the school board determined the school district has the capability to complete the project using the GC/CM project delivery.

Mr. Oremus reported his company has been working with the school district for over a year completing a study, survey, and conditions assessment of the entire school district. The outcome targeted the high school as the most significant and largest need within the district. Bond planning was initiated with the committee and through community meetings followed by preprogramming and identifying needs.

The Anacortes High School is currently a 146,000 square foot facility housing 850, 9-12 students. The building is a combination of construction ages beginning in 1955 with renovations occurring in 1959, 1976, 1991, and 1999. The section of the building serving as the gym is in the best condition with a good structural base and important organizational abilities. The recommendation is to renovate and modernize the facility rather than replace it. The school also has an 800-seat theater used by both the school district and the community. It would be unlikely the school district could demolish and build a comparable new theater. The structural analysis confirmed the building could be renovated for the benefit of the school and the community. The remaining two-story building of classrooms, cafeteria, commons, and library are in poor condition and would be demolished and rebuilt. The project consists of replacement of approximately 60% of the existing high school and 40% modernization of the remaining components.

The site includes two athletic fields. The War Memorial Field is the main competition football field and is in better condition than the second field, Rice Field, although it doesn't include a running track. The site is surrounded by wetlands and the buildable area is small compared to the entire property site the district owns. The proposal includes new construction over the existing football/soccer field. Prior to new construction, upgrades and renovation is planned for Rice Field to include new turf and a 1,500 seat covered stadium and associated support facilities to enable the construction of the main high school addition on the existing football field (War Memorial). New construction includes classrooms, administration, commons, and a kitchen. The site affords views of Mt. Baker and Puget Sound. The main entry of the school would remain in the same location. After construction of the new facilities, demolition would be scheduled of the commons, cafeteria kitchen, library, and educational classrooms.

Mr. Oremus described the phases of the project from demolition through construction of new space and renovation and modernization of existing structures. The Career and Technical Education (CTE) wing would be demolished and replaced with new space for CTE programs. The theater will be closed and modernized followed by the PE wing. The necessity of phasing the project speaks to the need to utilize the GC/CM delivery method.

Mr. Estvold reviewed the project and team qualifications for GC/CM project delivery under RCW 39.10. The RCW speaks to substantial fiscal benefit. Although the school district could pursue D-B-B for this particular project, the team believes the GC/CM delivery method is the best for this specific project because of the complexity and many moving parts. There is much value in having the contractor on board early during schematic design while the plans are still pliable. The team would take advantage of that expertise. The RCW requires project complexity and complex scheduling. The district is not locked in to a schedule at this point. It's important for the contractor to be involved to understand the different phasing needs to help identify the best sequence because some elements must be constructed earlier that rely on some systems in buildings that must be demolished later. The site is fully operational during the construction as no other high school facilities are available for students. GC/CM involvement early is critical to the success of the project. It's important for the project to have an experienced contractor familiar with phasing to ensure the safety of students and faculty.
Although the building is not listed on any historical register, Anacortes is a small community and many community members attended the school or had relatives who attended the school creating an emotional connection to the high school. The contractor could help to identify ways to pull existing elements into the new construction.

Mr. Estvold outlined the team's GC/CM experience. The high school project is his fifth GC/CM project. Additionally, Mr. Oremus, Scott Williams, and Kaitlin Pond participated in the two-day GC/CM training sponsored by AGC on June 25-26 to enhance knowledge of the unique GC/CM process. Additionally, Hutteball & Oremus Architecture specializes in K-12 construction. During the district's interview process for architects, the district sought firms with design excellence, as well as a track record on schedule and budget. Hutteball & Oremus Architecture was the top candidate meeting all the criteria.

Mr. Estvold reported his previous GC/CM experience includes the McIntyre Hall Performing Arts and Conference Center, several hospital renovations, and a medical office building. Hutteball & Oremus Architecture specializes in K-12 construction projects and completed a significant number of successful projects in the region. The company has also completed several Anacortes School District projects.

The project team has the assistance of the district's counsel. Anacortes School District has invested heavily in the project and committed a half-time planning principal to the project. Approximately $450,000 is budgeted in staff support time to ensure complete involvement in the project. As construction and administration proceed, Mr. Estvold said his involvement would be approximately 40% of his time in addition to a full-time onsite owner's representative. The owner representative will have construction and GC/CM experience to ensure good owner support in addition to the involvement of Ms. Matthews, Dr. Wenzel, and Marty Yates who is the Maintenance Supervisor at Anacortes School District.

The project is necessary and appropriate as required by RCW 39.10. Funding was secured through the passage of a $90 million bond. A portion of the bond was recently successfully sold. A tentative project completion date will be firmed up after the GC/CM is hired to assist in finalizing project scheduling and sequencing to determine a completion date.

Mr. Estvold stressed that the team completing the project is the same team that initiated the project in November 2013. The budget estimate was prepared by Robinson and Company. The Office of the Superintendent of Public Instruction (OSPI) provided comparables with the team reconciling the two budgets with some escalation and contingency included.

Panel Chair Palewicz invited questions from the panel.

Mr. Lovell referred to answers provided in response to the panel's questions. There were several questions about the experience of team members. It appears that the school district has allocated another $250,000 in preconstruction and $450,000 in construction or additional staff to support the effort, which doesn't appear to be designated on the organizational chart. Mr. Estvold affirmed that the additional resources were not included; however, to support construction, a full-time construction onsite person will be added to support him. Mr. Lovell pointed out that the project is the largest the combined team has ever completed, requiring more resources.

Mr. Pritchard expressed appreciation for the thorough introduction provided by Dr. Wenzel. He referred to the standard form of agreement with the GC/CM and asked for additional clarification on what constitutes a standard form of agreement with the GC/CM. Mr. Estvold advised that the agreement would be provided by Darrel Addington, legal counsel for the GC/CM contract in compliance with the RCW. Vandeberg Johnson & Gandara has used the agreement for previous GC/CM projects.

Mr. Pritchard asked about the authority Mr. Estvold is afforded during the negotiations with the GC/CM. Mr. Estvold replied that doesn't have any authority to approve the expenditure of district funds but rather is in the position of advising the district of pros and cons and providing input on subcontractor packages, etc. Mr. Pritchard asked whether his role is to negotiate the packages and present recommendations. Mr. Estvold affirmed that it was his role.

Mr. Lovell said it appears answers to questions about phasing speak to two major phases of the athletic field followed by the main high school. He asked about the potential outcome or contingency plan to accommodate a breakdown of the process between the GC/CM and the team during any point during construction phasing. It appears that the district's response speaks to negotiating to resolve the situation. Mr. Estvold replied that the intent and expectation is to pursue negotiation to resolve issues; however, the RCW allows for termination of the contract, which is one reason for mini MACCs. As Rice Field is improved, negotiations would begin for the addition on the War Memorial Field. The school district has the ability under the RCW to terminate and reconsider the second bidder or reissue the RFP. The team wants the GC/CM involved early in the process to help establish budgets and ensure good contingency plans are in place during the sequencing of the project phases.

Mr. Lovell noted that the application speaks to bidding the subpackages prior to finalizing each MACC. Mr. Estvold affirmed that the majority of the major subpackages would be bid prior to finalization of the MACCs.

Mr. Davis noted that one of the important factors for evaluating alternative delivery methods is whether projects meet the criteria under RCW 39.10. Based on the proposal, it's clear the project would fit well under the GC/CM method. Beyond achieving that criterion, the next consideration is the experience of the team. The application documents the availability of Mr. Estvold 40% of the time during construction. Mr. Estvold is the only team member who has GC/CM experience,

which is concerning. He questioned whether 40% allocation of Mr. Estvold's time is sufficient and what assurance the district is providing that the project manager will have GC/CM experience to help bolster the team's experience level.

Dr. Wenzel said the district believes in due diligence and tapping resources effectively to complete the project. Many resources will be utilized. Mr. Estvold has been an integral part of the process. Beyond Mr. Estvold and the architectural team, the district has reached out to others in the state with GC/CM experience. He and Ms. Matthews are committed to ensuring the project is delivered effectively. The school district has scrutinized work completed to date and intends to continue that process. If the needs arise and Mr. Estvold's overall capacity becomes limited and there isn't sufficient capacity to complete the project, the school district has the necessary resources and budget to reach out to others to support Mr. Estvold's work if necessary.

Mr. Davis emphasized the importance of the PRC's commitment to maintain the availability of alternative delivery methods. Successful projects are critical for both the owner as well as to the PRC. In any alternative delivery method experiencing trouble, issues can escalate very quickly and having sufficient resources at the onset through completion is critical to a project's success. He encouraged the school district to consider that option and identify additional resources prior to moving forward.

Mr. Estvold pointed out his 40% time allocation is an estimate. He also lives within 1.5 mile from the school. The team plans to include GC/CM required experience as part of the criteria for the hiring of the onsite project manager. The budget includes a project management level position.

Mr. Hall conveyed similar concerns because it appears that most of the expertise is concentrated in one individual rather than one firm. He asked whether the firm has other employees. Mr. Estvold said his firm also includes two other employees. One employee is currently working on another GC/CM project. The second employee has 40 years of experience in construction and construction management. Mr. Hall remarked that the presentation would have been stronger had the future unknown entity been identified within the team. Normally, projects include a number of individuals with GC/CM experience as opposed to one, which might be a potential issue.

Mr. Pritchard cited the requirements in contracts for third-party neutral dispute resolution. He asked whether the team considered convening a principals' meeting with the GC/CM as a management tool to maintain engagement between the team and the GC/CM. Mr. Estvold cited the common practice to convene those types of meetings scheduled weekly or biweekly as conference calls between the team members and the GC/CM and project manager. Dispute resolution provisions would be addressed with legal counsel. Mr. Pritchard encouraged Mr. Estvold to incorporate best practices within the process to help manage risk.

Mr. Burt requested additional clarification of the authority for spending of funds. Mr. Estvold advised that his role is to inform the district with final authority to approve expenditures by Dr. Wenzel and Ms. Matthews. Mr. Burt referred to the organizational chart and questioned the process involving the planning principal and their line of authority as it appears Mr. Estvold is also providing direction to the GC/CM.

Dr. Wenzel reported the school board has entrusted him with the ultimate authority. Mr. Estvold was hired to serve the district's interests. While Mr. Estvold doesn't have decision-making authority per se, the district hired him as an expert advisor for the project. The planning principal would be working with Ms. Matthews, Mr. Estvold, and himself as the leadership team working collaboratively with the architect and the GC/CM in rendering decisions.

Mr. Estvold added that although he doesn't have direct authority, he has immediate access to Dr. Wenzel and Ms. Matthews, who have the authority to make decisions in a timely manner. He has worked with both individuals since 2013.

Mr. Shinn asked whether there has been any selection of the mechanical or electrical subconsultants. Mr. Oremus advised the subconsultants have been contracted and all have extensive GC/CM experience.

Panel Chair Palewicz invited public comments. There were no public comments.

Panel Chair Palewicz invited the panel's deliberation.

Mr. Lovell expressed support of the application with the caveat that there are some concerns with respect to answers to the questions previously submitted, particularly for a project of this size. It's very important that when the GC/CM is hired, the team considers the time necessary for the GC/CM to have the time, energy, and the resources during preconstruction to determine how to complete the project in the quickest and most efficient way. The owner and the architect must ensure they are not delaying the project. Once the project is initiated, it's important not to impact progress. It appears that the team is committed and has a lot of energy, which must be translated to the daily "dos."

Mr. Davis said his questions pertained to adequate resources and were directed specifically to Dr. Wenzel because he wanted confirmation that the school district is committed to providing additional resources if needed. Based on the feedback, he is confident the school district would do so. He is not fully comfortable with the current situation and would rather have had the entire team to include identification of the project manager. However, he's supportive of approving the application but will document his concerns within the notes.

Mr. Shinn cautioned against panel members expecting a small school district to have all expertise in-house. The PRC has considered other similar applications. The school district can hire the right person. Today is the not the time to hire the project manager. It's important to give the district the benefit of the doubt. The budget and team have been established and the project needs the PRC's support.

Mr. Pritchard echoed similar concerns as the project is within a small school district, which must deliver on its promises. He believes the district has undertaken due diligence. His concern surrounded the role of the construction manager and the lack of the position within the organizational chart. However, it's an owner issue and the answer was satisfactory. In terms of the questions pertaining to the application, there are still some issues surrounding the budget in terms of the MACC contingency for the GC/CM. The answer indicates it would be set at 2.5% for the GC/CM. However, the RCW requires 5%. That may entail an adjustment in the budget by the school district. Otherwise, he's supports project approval.

Panel Chair Palewicz said his interpretation of the RCW is a 5% general contingency for the owner. Within the MACC, the risk contingency is negotiated. The range of 2%-2.5% was established for a number of other projects. There are two different contingencies.

Mr. Lovell added that the answer indicates that the risk contingency would be established at 2.5%.

Mr. Hall said he's somewhat undecided regarding the project as the project is the district's largest project to date. There are many on the team who haven't delivered a GC/CM project. His firm has completed many types of projects over the last 30 years and each is different; however, once the project is initiated, there is no stopping. Remaining engaged is essential. Nothing speaks better than experience. Although he doesn't expect the school district to hire experienced personnel, there are experienced consultants to cover the level of responsibility and experience. The project does meet RCW criteria for GC/CM because of its complexity. Additionally, the school district has acknowledged that a hole needs to be filled, which speaks to due diligence and confidence that the school district will pursue the project correctly.

Mr. Burt agreed with panel members comments. His only concern is ensuring the school district understands that it has the responsibility for successful delivery of the project.

Chuck Davis moved, seconded by Jim Burt, to approve the GC/CM Project Application from the Anacortes School District for the Anacortes High School project. Motion carried unanimously.

Project Application Review – Public Utility District #2 D-B – Grant PUD Substation Project

Panel Chair Rusty Pritchard reviewed the format and timeline of the presentation. Panel members Paul Powell, John Palewicz, Mike Shinn, Chuck Davis, Phil Lovell, Rustin Hall, and Curt Gimmestad provided self-introductions.

Jeff Shupe, Engineering Manager, Grant County Public Utilities District (PUD), reported PUD No. 2 of Grant County, Washington was created in 1938 by Grant County voters. Today, the PUD provides approximately 47,000 customers with electrical service. The PUD's mission is to efficiently and reliably generate and deliver energy to its customers. Energy needs continue to increase. Users include major industrial, commercial, and residential customers. Energy demand has created a backlog of system improvements.

The PUD Reliability Project modifies and expands five existing substations to include adding some capacity. Substations operate on obsolete equipment in need of replacement serving residential and commercial customers in the Quincy area. The PUD's two new projects would serve two expanding industrial customers in the area through the modification of one existing station and expansion of another. The PUD also must maintain reliability of service to existing customers. The project corrects some critical deficiencies. Part of the reason for the backlog is utilization of existing staff and contracting with consultants through traditional D-B-B processes. The PUD has maximized its leverage and is limited in resources, which speaks to why the D-B delivery method is attractive.

Mr. Shupe introduced project team members Joe White, Engineering Supervisor; Shane Lunderville, System Engineer Specialist; and Mark Milacek, Project Manager, Grant County PUD (not in attendance), who will be 100% committed to the project and has completed the DBIA certification training. The PUD does not have direct experience in D-B but the agency has assembled a team of experienced personnel in D-B projects. Robynne Parkinson serves as the legal counsel to assist in contracting. Vanir Construction with Scott Tomlinson, Project Manager, and Ina Holzer, Assistant Project Manager, was hired to assist the PUD with construction management. Subconsultants include Stacy Shewell, D-B Advisor, OAC Services, and Eric Smith, Senior Project Advisor, OAC Services. For contracting purposes, the owner's engineer is a subconsultant through Vanir Construction.

The design builder has not been selected. After selection, the design contractor will contract with the district directly with ongoing communication through the construction manager and project manager, as well as others to manage the process moving forward.

Ms. Parkinson reviewed how the project meets the standards under RCW 39.10. The project requires speed, as new customers are seeking service. If Grant County PUD is unable to provide the needed power, those customers will go somewhere else. The speed is enhanced in this particular project because of the different sites that the design builder will be able to structure, schedule, and plan in a way that is efficient and enables the completion of multiple sites concurrently. One site can be constructed while planning is underway for sequencing that makes the most sense for both the customers, as they need to come online, as well as for the PUD. The preliminary scheduling calls for completion by 2017 providing a fiscal benefit to the county by adding data customers. The PUD is dedicated to the D-B delivery method and seeking appropriate training, as well as in assembling a team of experts who will help the PUD complete the project.

Mr. Smith reviewed the procurement process. The procurement process is the Progressive D-B delivery method as the statute affords some flexibility. The project is an ideal candidate for Progressive D-B because the goal is delivering the projects on a fast track. The process is setup to match those goals in terms of speed and efficiency. The procurement process does not include spending efforts on the basis of design documents, or bridging documents. The PUD wants to establish the best team and then move forward with the project. The team is waiting for the design builder before initiating the basis of the design documents and conceptual documents to ensure the completion occurs in a partnership. The process also would be less expensive, more efficient, and in line with the approach the D-B community prefers. No design competition is included, as it's not needed in the process. The process is designed to secure the best team quickly to move forward with completion.

A D-B agreement will be negotiated with the selected design builder during a two-step process of validating the proposal preparation stage of the project and setting a schedule to develop the basis of design documents and the conceptual design to enable the design builder to prepare a proposal for the commercial terms of the contract (price and schedule). The contract will be negotiated concluding the first phase of the project. The next step is executing the project with the maximum price established and the schedule committed followed by finalization of design and then construction.

Mr. Tomlinson said team collaboration and integration is likely one of the keys to the success of any project. The intent is aligning all project goals to include the schedule goal and other goals associated with quality. During the completion of the alignment of the various goals, team members will be in better alignment to support the project. The process includes a balanced contract that is fair and reasonable for all parties. Risks will be assigned where appropriate. The potential exists for inclusion of incentives for performance-based outcomes. Selecting the right D-B contractor is instrumental to the project's successful completion. Another key to the success of the project is quality, a lasting element of the project. The team believes it's possible during the selection process to achieve that quality. Some checks and balances include the availability of the county's power engineers who are experts in design as well as D-B. They will serve as technical support.

Ms. Shewell added that another important element of the project is successful contract management for the design builder. As the process advances through procurement, efforts will focus on building a well-qualified team experienced in this type of project in a D-B delivery environment. Once the team is identified, it's important to help them succeed by allowing flexibility in delivering solutions for the project and conveying information and decisions that the team needs. Incentives will also be included in the contract.

Ms. Holzer noted the schedule is the important driver for seeking the D-B delivery method. It's crucial for the PUD to meet the time commitments of its customers. The first step is securing the design build team. With the PRC's approval, the PUD is ready to release the RFP and start the procurement process. The lack of timely decisions can be a huge burden on the project schedule especially for Progressive D-B. The district's approach is proactive and the important driver is ensuring Grant County PUD is provided with information in a timely manner, as well as educating staff about the process so informed decisions can be timely. The PUD has done a good job of involving staff early on in the process and educating them about the process to enable good decision-making.

Procurement of long-lead materials can also impact the schedule. Grant County PUD recognizes the issue and to alleviate the problem, the district has initiated procurement of some of the long-leading materials, such as transformers, which can require up to a year to deliver. The overall approach to schedule management includes two stipulations for the design builder. The candidates will receive iteration for the validation period and target completion dates for each substation. Additionally, flexibility will be afforded to create a schedule that is most efficient and works for the project.

Mr. Smith summarized the presentation. The team is capable and committed to completing D-B right, which means being the right owner, understanding the role, and ensuring that the roles and responsibilities are assigned appropriately for the D-B methodology. The project is assigned to the right owner and the owner has selected the right procurement process of D-B, which is streamlined and low impact to competitors and provides the district with the most qualified team in the fastest possible way. The district has the right contractual setup that matches the values of the district.

Panel Chair Pritchard invited questions from panel members.

Mr. Lovell requested verification of a previous asked and answered question pertaining to equipment. The response indicates that Grant County will purchase major equipment associated with the project and essentially assign the equipment to the design builder for delivery and installation. He asked which party assumes the risks of mismanufactured or misdelivered material. Mr. Shupe replied that during the validation period, the design builder is responsible for ensuring the ordered equipment meets all specified quality standards and that the expected delivery dates would be adequate to meet the targeted completion dates for each substation. Upon equipment delivery, the design builder will inspect the equipment and take responsibility for proper storage, protection, and installation. Mr. Lovell requested clarification of the response and cited a specific example. It appears the county will specify each equipment item and purchase those items. The specifications will be provided to the manufacturer with the equipment delivered on time, stored, and installed. He questioned the responsible party when the design builder discovers there is an element to the equipment that does not meet specifications.

Mr. Shupe replied that the ultimate responsibility is the PUD's responsibility because the district purchased and specified the equipment. If something was missed in the process, it's the responsibility of the district to rectify the situation. The

district recognizes there is some long-lead equipment that must be provided for the project. Grant County PUD routinely purchases equipment. The new element is the delivery method.

Ms. Parkinson said one of the provisions in the contract is from the DBIA Sustainability Agreement, which speaks to circumstances surrounding equipment. Both parties rely on the warranty from the manufacturer. The design builder would need to inspect the equipment and ensure the designs align with the equipment. Should the equipment not meet performance specifications, the design builder is responsible to point out the basic standards of the equipment are not compatible with the system and must either be changed or the design adjusted. Both parties would look to the equipment manufacturer for any problems with the equipment. The design builder is responsible for care, transportation, installation, and risk associated with any damage to the equipment after receipt of the equipment.

Mr. Lovell replied that the response is indicative that it's the design builder's responsibility to ascertain whether the specified manufactured and delivered equipment meets the purpose for which it was intended. Ms. Parkinson replied that during the performance obligations involving prescriptive specification in a design-build contract, the design-builder is responsible for determining whether that prescriptive specification can meet the ultimate performance requirements of the contract. If the design-builder discovers that it cannot, the owner is responsible for the costs associated for making that specified prescriptive specification meet the performance requirements. There are two elements – the cost is up to the owner with the design-builder responsible for determining whether a piece of equipment will work within the performance of the project.
Mr. Lovell pointed out that the possibility exists of discovering a performance flaw after the equipment is manufactured, delivered, and installed. It would likely be discovered by the owner rather than the design-builder.

Mr. Palewicz asked for additional information regarding the proposal process and the proprietary meetings. Mr. Smith said the meetings are not interviews, but are intended as an independent exchange of information and an opportunity for the design build competitors and finalists to speak to their proposal and how it would achieve the objectives of the owner. It's an opportunity for the applicants to lead the conversation while enabling both parties an opportunity to learn more about one another. It resembles a mini version of a working session with the contractor if selected as the design builder. No design work is involved. The meetings serve as a qualifications and approach discussion. Evaluation of the interaction is part of the scoring process followed by technical and price proposals.

Mr. Palewicz asked whether the owner is offering an honorarium. Ms. Parkinson said a small honorarium of $1,500 would be offered recognizing that there are very few deliverables associated with the project.

Mr. Davis commented that he assumes the team has reviewed and ascertained whether there is interest by the D-B community in the project. Mr. Shupe said a number of efforts included general advertising and sponsoring a D-B forum for contractors to learn about the project. The forum was well-attended and the project is generating much interest. As the project involves electrical infrastructure, different contractors and subcontractors not typically involved in D-B responded. The process is also generating interest by established D-B contractors and local companies. As the first PUD undertaking this type of project, the project is generating much interest by other PUDs in the state.

Mr. Palewicz asked about incentives included within the contract, which must be identified per the RCW. Mr. Parkinson responded that the project includes performance-based incentives and schedule-based incentives. Performance-based incentives entail a collaborative contract between the owner and the D-B contractor. The Port of Seattle recently negotiated a performance-based incentive contract, which included incentivizing collaboration, timeliness, and other items that make the contract very important. Schedule-based incentives are key to the project. Cost savings incentives are included but only if the D-B contractor meets performance objectives. Mr. Palewicz asked whether all the incentives are identified in the RFQ and the RFP. Ms. Parkinson said the incentives are identified in the RFP, but are not typically included in the RFQ. The incentive plan is a part of the contract and the RFP.

Mr. Smith said the team intends to drill down with the finalists on the question of incentives to obtain feedback on the right approach based on their perspectives. To the extent that some elements might have been missed, the final RFP will be adjusted prior to final proposals.

Panel Chair Pritchard asked about the validation period in terms of specific discussions. Ms. Shewell reported Grant County has extensive standards, which will be the starting point for discussions with proposers. The applicants will be provided with project information, scope, and the goal of the project. That information is the basis for the design for each of the projects. Although the project sites are similar, each one has a unique nature, site conditions, and particular requirements, as well as schedule for completion. The basis of design is pulling all that information together for each site with an opportunity for the D-B teams to integrate and identify schedules and cost efficiencies.

Panel Chair Pritchard asked the presenters whether they view the process as either validating or exploiting design initiatives, due processes, or procedures. Ms. Parkinson noted that its part of the issue in validating as validation entails the applicant taking the owner's information and reviewing it. However, some problems in other D-B contracts are not reviewing the information until later in the process creating some problems for the owner. Allowing the contractors to have the information at the onset, which is fair, is appropriate and affords an opportunity for them to have the information at the onset to ensure it is reviewed and everyone is on the same page. It's also important to ensure the scope is appropriate.

Panel Chair Pritchard invited public comments.

Bill Kent, Design Build Institute of America (DBIA), said the presentation sounds like the DBIA best practice manual. Many of the presenters and members of the team have attended the DBIA certification workshop. He met Mr. Milacek approximately one year ago in Portland and he attended another DBIA workshop in San Diego. The team is learning how to do D-B right and the presentation reflects that today.

Panel Chair Pritchard invited the panel's deliberation.

Mr. Davis said it was refreshing to view a well-prepared team presentation. The project clearly meets the requirements of RCW 39.10 and he supports approval of the project application.

Mr. Hall said the depth of knowledge is present and the presentation provided some evidence of the team's experience and understanding of the D-B approach by allowing the creativity of the D-B team and not overplaying the basis of the design document. In term of progressive design, he congratulated the team for taking that approach, as the project is applicable to Progressive D-B. He supports the project application.

Mr. Palewicz supported the application, as it's a good and creative use of D-B. He was also impressed with the owners who seem to be well engaged in the entire process.

Mr. Lovell agreed with the previous comments, as it's a unique approach because it appeared that the project met the infrastructure requirements under the RCW for Heavy Civil. However, it appears the project doesn't meet the requirements. There are also some inherent challenges that the team should be able to handle. He would hope that the results of the project are provided through data reporting as required by the state.

Mr. Gimmestad said he's confident the team will be successful and hopes that some feedback to the PRC is provided on the outcome of the project.

Panel Chair Pritchard agreed that it appeared the project might qualify as Heavy Civil; however, after reviewing the application he understands it aligns with D-B especially if integration is one of the outcomes of the validation period because it could be instrumental for both the owner as well as other owners with similar future projects.

Phil Lovell moved, seconded by Mike Shinn, to approve the Public Utility District #2 D-B – Grant PUD Substation Project application. Motion carried unanimously.

Project Application Review – Mead School District #354 g – Northwood Middle School Project

Panel Chair Steve Crawford reviewed the format and timeline of the presentation. Panel members Tim Graybeal, Bill Dobyns, Tom Peterson, Kurt Boyd, Yelena Semenova, Ato Apiafi, and Rick Brenner provided self-introductions.

Greg Brown, Program Manager, OAC Services, reviewed the presentation agenda.

Wayne Leonard, Assistant Superintendent for Business Services, Mead School District, reported the project team for the school district includes him and Ned Wendle, Director of Facilities and Planning. The school district hired OAC Services to assist the school district. He introduced Dave Huotari, ALSC Architects, and Graehm Wallace, Partner, Perkins Coie.

Mr. Leonard described his professional background in schools. He has 23 years of school financial management with the last 10 serving the Mead School District. He oversees business operations, accounting and budget, and supervises the Facilities, Transportation, Food Services, and the Maintenance Departments. Prior to his arrival to the school district, Mr. Leonard worked at a smaller school district and was with the State Auditor's Office for eight years.

Ned Wendle reported that he oversees the bond program for the Mead School District and has been involved in all aspects of the project as district liaison to the project team. He has 25 years of experience in private sector construction and development and manages 1.3 million square feet of district buildings and 450 acres of grounds.

Randy Barber, Principal-in-Charge, OAC Services said he has a 5% role in the project overseeing quality control and assurance to ensure the project delivers as promised and to ensure appropriate staffing for the project.

Greg Brown, Program Manager, OAC Services, said he has 26 years of K-12 program management experience with four years at WSDOT. He was the Director of Capital Projects for Spokane Public Schools for 12 years and was directly involved in several large GC/CM projects under his tenure overseeing $600 million in bond projects for Spokane Public Schools. The school district was the first school district to receive public body certification for alternative delivery with assistance from OAC Services.

Mr. Brown spoke to one of the questions pertaining to his involvement in the project. The role of OAC in the Mead School District project is different from a previous presentation where OAC served as advisors for the project. In this project, OAC is serving as program managers managing the project and all aspects of a complicated construction project. He is devoting 75% of his time to the project with several other personnel allocating time to support him for 100% devoted to the project.

Mr. Brown introduced Jonathan Miller, OAC Services. Mr. Miller has participated in four GC/CM projects and the majority of his experience is in K-12 facilities. Mitch Romero, Senior Project Manager, OAC, has 23 years of design and construction experience. Mr. Romero is an architect and has participated in five GC/CM projects including several in the Seattle School District.

Mr. Huotari, Principal Architect, ALSC Architects, advised that he would be overseeing the projects. ALSC Architects is heavily involved in GC/CM projects dating back to Clovis Middle School, which was an OPSI pilot project. Most recent GC/CM projects include three Central Valley School District projects.

Graehm Wallace, Partner, Perkins Coie reported his experience spans 19 years representing school districts in construction law issues. Perkins Coie represents many school districts in the state. In addition to his 15 years experience of construction law, he has four years experience as legal counsel representing contractors and subcontractors, and was a paralegal for three years prior to attending law school representing contractors and subcontractors. He has worked for many school districts on GC/CM projects and D-B-B projects.

Mr. Brown reviewed some the team's long-term working relationship on many different projects.

Mr. Leonard reported the Mead School District passed a bond in February 2000 for modernization and renovation of three schools. The Northwood Middle School facility was built in the late 1950s and modernized and renovated in the early 1980s. Most of the infrastructure is old and outdated with frequent bursting pipes. The building has been reroofed. The existing school serves approximately 775 7th and 8th grade students with three temporary portables on site. When the new

project is completed, it will have capacity for 750 to 800 students with approximately 115,000 square feet. The campus has two school facilities of the Northwood Middle School and Farwell Elementary school with over 1,450 students and staff on site. The school is in a suburban district located north of Spokane.

The existing site is located on a major east-west arterial with heavy traffic. The site houses the primary youth soccer fields for the City of Spokane and county youth sports activities in north Spokane. It is located centrally in a neighborhood that houses a KinderCare Day Care Center.

Mr. Brown reviewed the entire project site. Plans for the site include retaining Northwood Middle School as future elementary schools are part of the next phase of the bond. Farwell Elementary School is also located on the campus. The GC/CM project includes many athletic components lending to a complex project requiring phasing with many safety concerns to consider. After completion of the new middle school, the district plans to retain a building and use it for administrative purposes while retaining the gyms for community use. Three buildings will eventually be housed on the site.

Work has been initiated on some preliminary phasing with the contractor directly involved in the phasing. One of the first steps is relocating the track and football fields that overlap the new building for continued use by the school. A county building is also located on the campus for storage and it also houses a public restroom facility.

Mr. Wendle reviewed the project schedule. With approval by the PRC, the team plans to move forward with releasing the RFQ and RFP for selection of a GC/CM, as well as completing the specification process and beginning design by September 1. By the spring of 2016, an early site package would be completed for the phasing, complete design and construction documents by June, as well as negotiating the MACC after design is at 90%. By end of summer 2016, the district would contract with subcontractors and suppliers and begin construction in August 2016 for a 20-month construction cycle.

Mr. Brown responded to some of the question submitted by the PRC. One question pertained to educational specifications. The school district has an existing ed spec from a middle school constructed within the last 10 years that will serve as the document with some updates. The project budget, scope, and schedule have been determined to provide sufficient information to release advertising for the GC/CM contractor without having the final ed specs completed. If questions pose some concerns during the RFQ process, the school district is prepared to postpone the selection of the contractor for several weeks. The ed spec process is anticipated to be completed by the end of August.

Another question involved the negotiation of the MACC and buyout of subcontractors. Mr. Brown said he is familiar with the process of establishing the MACC and bidding. The district envisions benefits for bidding many of the sub packages prior to establishing the MACC because it helps to lower the risk not only for the owner but for the contractor as well. The schedule was revised to reflect some of the PRC's concerns.

Mr. Wendle reviewed the project budget:

Professional Services Costs	$2,927,499
Construction Costs	$30,599,455
Equipment 7 Furnishings Costs	$1,843,148
Offsite Costs	$50,000
Contract Administration Costs	$853,101
Contingencies (includes 5% contingency)	$2,366,597
Other Related Costs	$233,240
Sales Tax	$2,526,960
Project Total	**$41,400,000**

Mr. Brown outlined why the Northwood Middle School replacement project is suited for GC/CM. The team believes the project meets three of the criteria in RCW 39.10.340:

1. The project involves complex scheduling, coordination, and phasing.
2. The site will be occupied site during construction and must continue to operate during the school year.
3. The involvement of the general contractor during the design stage is critical to the success of the project:
   - Logistical planning for student safety, school operations, and staging.
   - Early enabling construction opportunity
   - Existing conditions verification
   - Integrated project team
   - Reduce marketplace risks

Panel Chair Crawford invited questions from panel members.

Mr. Peterson referred to answers for using the Alternative Electrical and Mechanical Subcontractor Selection Process (EC/CM and MC/CM), which appeared to reflect the district wasn't contemplating using those processes. He asked whether the school district has reconsidered or is considering using those processes. Mr. Brown said he's learned that the Central Valley School District was planning to use the method for two projects. The district has a common contractor for two schools and believes it would be a benefit for the school district. He agreed it would be important to discuss with the team whether those delivery methods would be of any advantage to the Mead School District. The school is protected by the bonding and typically, the district is able to attract high quality mechanical and electrical subcontractors because of the bonding requirement. However, the issue is relatively new to him and he wasn't able to share all the pros and cons with the school district as to whether it would be a method to pursue. He agreed to follow up with the Central Valley School District to learn why the district opted for that process.

Mr. Boyd said many of the same reasons for selecting the GC/CM process also apply to the EC/CM and MC/CM in terms of complexity issues, budget, and importance of controlling costs. He urged the team to explore those alternatives as well.

Mr. Wallace noted that from a legal perspective, the GC/CM contractor must ask the owner. The owner must grant permission for the GC/CM to pursue the option. Should the owner disagree, it's not possible to pursue the processes. Secondly, from an experience standpoint, many of Mr. Brown's projects were completed using the GC/CM delivery method. Mr. Brown has completed more GC/CM school district projects than any other person in the state. Perkins Coie is finding that many clients (schools and non schools) like the EC/CM and MC/CM process. People are thinking about the processes, talking about the processes, and if it makes sense, many are moving forward and using the processes.

Ms. Semenova questioned Mr. Brown's 75% allocation of design time to assist the owner as the architect while also having time designated for value engineering (VE) and constructability reviews. She asked whether that would be considered a conflict of interest and questioned why the school district elected not to select an independent value engineering and constructability review firm. Mr. Brown said OAC Services provides value engineering and design review; however, because of his time commitments to the project and to another project, he would not be involved in the reviews necessitating the hiring of other OAC staff from the Seattle office or an independent VE consultant or constructability review consultant.

Mr. Barber clarified that the program manager would be insulated and would not be part of the review team. The team OAC would assemble includes him, an independent architect, a GC/CM, project manager, superintendent, and cost estimator who all play significant roles in the value engineering effort. Other staffing would be insulated from project management staff. It's a service OAC offers its customers. At Central Valley, OAC is completing a portion of the value engineering effort, as well as contracting with other firms to complete the remainder. Depending on what fits with the owner's needs, desires, and schedules, those decisions are made at that point in time.

Ms. Semenova asked about the timeline for awarding the GC/CM contract. Mr. Brown replied that according to the schedule, a recommendation on the selection of the GC/CM to the Mead School District Board of Directors is scheduled on August 30. The first Board meeting is September 15 when the official award would be announced.

Mr. Peterson asked about the authorities of the team members for approving GC/CM decisions. Mr. Brown said his role at Spokane Public Schools was similar to Mr. Wendle's role. He also received assistance from GC/CM advisors. In Spokane, several staff members were experienced in multimillion dollar projects. Mr. Wendle will be fully involved in all decision-making processes for the project. During the reviews of submittals or attending site meetings, approving or rejecting work, Mr. Wendle's role includes working closely with him. All decisions would be rendered by Mr. Wendle.

Panel Chair Crawford invited public comments. There were no public comments.

Panel Chair Crawford invited the panel's deliberation.

Mr. Graybeal commented that the project is a great candidate for GC/CM. School projects often involve phasing and displacement of some students. In this project, the neighboring elementary school and the potential reuse of the facility make the project a great project for the GC/CM. Additionally, the fact that the school district is hiring the GC/CM early in the process is a good step and provides great benefits to the public by enabling the district to draw on that expertise. The issue of addressing all the different assumptions the GC/CM must make to compete during the RFP process was addressed by recognizing that the other middle school in the Mead School District was completed recently affording an opportunity to establish a baseline.

Mr. Apiafi spoke to the minus and pluses of the project. One minus is OAC reviewing its work and no comfort level of check and balances, which is important. He complimented Mr. Brown for being one of the most experienced in GC/CM in the state. However, there were some contradictions in terms of why Mr. Brown was hired as Mr. Brown admitted to the opportunity the project presents in learning more about the GC/CM process. The presentation reassured him that existing staff and consultant expertise is sufficient to complete a GC/CM project.

Mr. Peterson said it's not uncommon to have consultants responsible for constructability reviews or value engineering, as well as project management responsibilities. That situation is not uncommon nor is it a negative. Secondly, the depth of experience that OAC provides to the project is important and provides a great consultant team. The application should be approved.

Mr. Boyd complimented the team on recognizing the value of offering earlier packages as it's in the spirit of the GC/CM method and relieves much contention inherent in some projects. The project and team is well suited for the GC/CM delivery method.

Panel Chair Crawford agreed the project is appropriate for GC/CM and meets the criteria. The team will assist the district with a great level of experience both in management and in prior project experience. The project is well suited and he supports approval of the application.

Mr. Boyd echoed similar sentiments about the value of offering earlier packages and agreed the team is experienced. He supports approval of the application.

Mr. Benner said that in terms of the EC/CM and the MC/CM, current projects his company is completing have benefitted from those processes. It appears that the schedule is in the early stage of hiring the GC/CM early, which affords a timeline to pursue EC/CM and MC/CM methods. It took his company approximately three months to complete that process after procurement of the GC/CM. He would ensure the subconsultants are comfortable in that role and environment, as some are not as experienced in working in collaborative environments.

Tom Peterson moved, seconded by Rick Benner, to approve the Mead School District #354 GC/CM – Northwood Middle School Project. Motion carried.

Project Application Review – Metro Parks Tacoma GC/CM – Waterfront Park

Panel Chair Gimmestad reviewed the format and timeline of the presentation. Panel members Rob Warnaca, Tim Graybeal, John Palewicz, Bill Dobyns, Phil Lovell, Yelena Semenova, and Chuck Davis provided self-introductions.

Roger Stanton, Project Manager, Metro Parks Tacoma, described the project. Metro Parks and SiteWorkshop have been working on the project over the last 15 years. After the scope of the project was defined, it allowed the design to move forward. During that process, it was recognized that collaboration would be important because of the number of stakeholders involved in the project. The contractor was involved in the conversations as the team was rendering some assumptions that required confirmation by a contractor. Shortly into the project, the team learned about RCW 39.10 and alternative delivery methods. Mr. Stanton advised that he also had an opportunity to attend the GC/CM training. The request is for the PRC's approval of the project for the GC/CM delivery method. Mr. Stanton reviewed the presentation agenda.

Metro Parks has experience in completing construction projects over a 100-year timeframe. Although Metro Parks has a policy and process for completing capital projects, the agency's process is nimble affording the ability for the team to manage adjustments to the project. The project team includes industry experts at every level. SiteWorkshop has been working on the project for the last 15 years. CH2M is the design team under contract with the Environmental Protection Agency (EPA) affording close coordination with the EPA on the project. Legal counsel is represented by both Metro Park and consultants specializing in GC/CM contracting. OAC Services is leading the owner through the GC/CM process.

Doug Fraser, Chief Planning Manager, Metro Parks Tacoma, described his experience and position. As the Chief Planning Manager, he oversees the Capital Improvement Program (CIP) and management of project managers for all park improvements. He has over 30 years experience in park improvement projects at all levels of D-B-B processes. He is also staff liaison to the Metro Parks Tacoma Board of Directors and to the Capital Improvement Committee. The Board is very engaged in the CIP and staff has the ability to meet with the Board frequently affording reviews and quick responses on issues. The entire organization has the ability and capability to respond quickly and move forward on projects.

Clayton Beaudoin, Principal, SiteWorkshop, reported he has been involved in the project for more than three years and has been working with Mr. Stanton over the last 18 months. He has also been involved as the project has grown and evolved into various components. He is also representing Mark Brands, Managing Principal, SiteWorkshop, who has been involved in the project since the very beginning.

Chris Heger, Construction Director, OAC Services, said he is the project manager for the project and has 25 years of experience in the industry. After college, his working experience included surveying, superintendent of a school site and building and projects. Most recently, he's been a project manager for the last eight years and has completed work on large site projects, worked for the Department of Ecology and the City of Redmond on erosion control and water treatment systems, as well as digital terrain modeling for the last 17 years on large projects. He also has experience working on GC/CM projects involving a large hospital in 2007.

Dan Chandler, Principle, OAC Services, said his role on the project is minor serving in a support role. The project is unique as it's a Heavy Civil construction project. His role is to provide the breadth and depth of OAC experience to the team.

Mr. Chandler introduced Graehm Wallace, Perkins Coie. OAC collaborates extensively with Perkins Coie on GC/CM and other alternative delivery projects. This project is the third Heavy Civil GC/CM project in collaboration with Perkins Coie.

Mr. Wallace said the firm drafted the first Heavy Civil GC/CM contracts in the state. Currently, the firm is working with the City of Oak Harbor. He thanked the PRC for approving the City of Spokane's Heavy Civil GC/CM project. This particular project involves many safety aspects. GC/CM legislation speaks to occupied sites, which is one of the major reasons for seeking GC/CM approval. The public will be interacting with the site during construction. It's important to ensure the project provides safety to the public by approving the project application to ensure safety is emphasized during construction.

Mr. Stanton reviewed the program description of the project:

A highly visible, highly significant, highly popular, and highly used site in collaboration with the EPA using eight different funding sources while not disrupting the Washington State Department of Transportation Ferries, Tacoma Yacht Club, or the public boat launch while mindful of fish windows. Within four years, design and build a boat launch, parking lot, ¼ mile of trails, a 600-foot bridge, and a park on the peninsula.

The scope of the project includes improving the entry to Point Defiance Park and a design of a roundabout. A new boat trailer parking lot will be constructed to serve the boat launch and development of long-term visitor parking. The project maintains existing Point Defiance parking on the project site. Collaboration is required with the City of Tacoma, City of Ruston, WSDOT, and the Ferry System to redesign the Pearl Street entrance. Additionally, a multiuse trail and bridge are included in the vicinity of the Pt. Ruston development and water walk that ends with the trail extending from that point to a 600' long pedestrian and bicycle bridge crossing over the parking lot and to the ferry and Pt. Defiance Park entrances. The bridge is 18' wide. Work on the park on the peninsula involves ongoing coordination with the EPA for capping contaminated dirt. Dirt from the parking lot excavation will be used to cap the area on the peninsula. The peninsula will unlock 11 additional acres of open passive park space at Point Defiance Park that has never been available to the public. The peninsula served as a slag peninsula from the Asarco Smelter operation and only the building, the Tacoma Yacht Club, and parking lot and parking strip have been privately available. The new park is surrounded by 2,200 million feet of shoreline and views to Puget Sound, Mt. Rainier, and Vashon Island. The peninsula project will protect and enhance marine habitat by restoring the habitat basin and capping the smelter slag peninsula by armoring the shoreline.

Mr. Beaudoin outlined the design of the project that seeks to reclaim and transform the public waterfront at Point Defiance that is currently not accessible to the public except for the boat launch. Contrary to many other Heavy Civil projects, this project is high-profile and invites the public to stop and view all the details and interact with the area. The trail connects to the new private development and to a 20-foot wide universally accessible multiuse trail expanding upwards under a 5% grade with no handrails from an elevation spanning 60 feet and crossing over and above the new boat trailer parking lot providing at-grade access from the trailer parking lot to boats. The peninsula houses an active yacht club that must be maintained during construction. The site is also a Superfund site and will be capped and armored.

Mr. Beaudoin displayed a slide demonstrating how collaboration has occurred between all the stakeholders to include the EPA and its design team. The diagram was originally created to demonstrate how the funds are shared between the entities. Because of the capping and armoring of the slag on the peninsula, coordination is required with the EPA design team. The addition of fill is necessary to accommodate the new utility backbone. Coordination is ongoing beginning with design, construction, and accounting because of the various funding sources for different components of the project.

Another example of the scale and complexity of the project pertains to the 60-foot elevation drop from the upper terrace at the top of the bridge down to the boat trailer parking lot. The project entails removal of much dirt to create a staircase, as well as a slide feature requiring extensive coordination. The outcome of the project would benefit greatly from early involvement by the contractor.

Mr. Beaudoin described and provided photographic examples of the scale of the dirt work. At the top of the hill is an active Metro Parks maintenance facility, which will remain open during the construction. The bottom includes the yacht basin and public traffic. The project also includes extensive exposed slopes requiring new plantings that are estimated to cover 20 acres.

Mr. Heger spoke to the key strategies for MACC timing and sub buyouts in response to questions submitted by the PRC. One of the questions pertained to the status of design. Because the project is Heavy Civil with an extensive amount of dirt work with different complexities the project aligns well for the Heavy Civil GC/CM delivery method affording time for preconstruction beginning October 1 to early May to obtain proper estimates and to quantify all budget figures and scheduling addressing both knowns and unknowns. With contaminated soil risks, the presence of the GC/CM is important to quantify the work, as a sophisticated contractor is required to leverage technology and digital modeling. The project speaks to the need for the best self-guided performance work, which speaks to the need for experienced craft workers. The project speaks to the need for experience in terms of fish and public safety.

The process is in early design development with the MACC scheduled at 95% design to obtain early pricing and 100% design for final MACC pricing. The schedule includes the addition of a more detailed schedule to ensure a build-up process to afford some buffer before construction commences.

Mr. Stanton reported the voters passed a $198 million bond for Metro Parks Tacoma capital projects. This project will not consume the entire bond amount. The amount of bond dollars is less than other sources of funds contributed through other funding opportunities.

Mr. Heger reviewed how the project meets the requirements of the statute. The project exceeds the statute criteria in terms of the site as a project construction occupied facility, the importance of GC/CM involvement in planning and execution, and the complexity of the project. The public benefits by the ability to sell the dirt, locating the dump site, and quantifying the material while working with the contractors to coordinate the work as efficiently as possible.

The quality, schedule, planning, and cost are also public benefits to ensure a quality product is completed through a GC/CM delivery method producing the greatest value in the least amount of time.

Panel Chair Gimmestad invited questions from the panel.

Mr. Lovell noted the presentation schedule is different from the schedule provided in the application packet. He questioned the timing for hiring the GC/CM. Mr. Heger said the GC/CM is anticipated to be hired between July 24 and September 23, but no later than October 1. Mr. Lovell said the timing is after completion of the design, which is contrary to the RCW, which speaks to the GC/CM hired no later than at the end of schematic design. Under this scenario, the GC/CM is not scheduled for involvement until the completion of design development. He questioned how the GC/CM would be involved.

Mr. Heger advised that over 400,000 truckloads of dirt must be moved and the intent is leveraging the dirt work contractor in taking the lead role because of the high level of risk. The final disposition of the soil must be decided and finalized prior to that work, which is in process at this time. As a Heavy Civil project versus a building project, the project doesn't fit the model. However, from a heavy civil perspective, it's important to quantify the different elements of the project.

Mr. Chandler said the same question was discussed internally in terms of the value provided by the GC/CM given the contractor joins the project later than required by the statue. However, the project is a different from a building project where the addition of the GC/CM at the end of design development would entail structural decisions and other decisions. The value the GC/CM brings to this project is planning the execution and allowing time to locate dump sites and identifying self-perform work and how it's contracted. OAC Services believes for Heavy Civil projects having the GC/CM later in the process affords tremendous value.

Mr. Wallace added that the statute also stipulates that in most situations, the GC/CM should be onboard no later than completion of schematics. This project is not a typical project. In fact, the project is likely one that the Legislature had in mind in affording the PRC the flexibility to consider different project elements and how they are completed. The project will receive tremendous value by having a GC/CM now instead of later.

Mr. Lovell said it appears the project's design has progressed to a point where the program has been established, as well as the tasks within the various elements. It appears that the intent is for the GC/CM to have the contractual basis of the work on a cost-plus fee and general conditions.

Mr. Chandler replied that the project execution is dependent upon when tasks can be defined and bid, such as the bridge or armoring bid on unit pricing. The philosophy of the team is whether the tasks can be defined and the process would likely defer to sub-bidding in a traditional GC/CM delivery. If the tasks cannot be defined or the timing is too risky because of the weather it might be work that is bid on a cost-reimbursement basis. The team has discussed options but not defined the givens at this point. The questions will be addressed during the RFQ and the interviews. The team will be looking to the contractors for their respective approaches and identifying the best value they could provide to taxpayers and the federal government.

Mr. Wallace spoke to how the City of Oak Harbor is pursuing its Heavy Civil project. Multiple bid packages have been executed with multiple GC/CM amendments. Determining the final package through the pricing and estimating process has proven to be effective by working with the GC/CM through the amendment process.

Mr. Heger added that Metro Parks Tacoma needs a contractor as a partner that cares. The goal is seeking a superintendent who forecasts weather and specific circumstances for appropriately timing different elements of the project. Because the project is funded from numerous resources, it's an opportunity for the industry to showcase the process from design, buyout, construction, and final tracking of costs.

Mr. Palewicz said the proposal speaking to GC/CM selection only affords four weeks for public outreach, interviews, site and office visits, and pre-proposals with final awarding of the GC/CM on September 24. It doesn't appear the schedule affords sufficient time for contracting with the GC/CM. As an owner, he has received much feedback from other contractors on scheduling.

Mr. Heger reviewed an updated schedule. If the PRC approves the application, the schedule includes the release of the RFQ no later than Monday, July 27, followed by a pre-submittal conference on July 29. The last day for questions is August 5. Statements for qualifications are due on August 18. Notification of the GC/CM list is scheduled on August 21 with interviews scheduled on September 8. Issuance of the RFP to finalists is scheduled on September 9 followed by the opening of pricing proposals on September 18 with the GC/CM contract signed between September 23 and October 1.

Mr. Palewicz agreed the updated schedule is doable. Mr. Stanton said the schedule also doesn't include Metro Parks Tacoma concurrently completing the verification process.

Mr. Davis questioned the timing of the design process. As noted, the team indicates there is some flexibility for delaying that process. He asked about the fiscal challenges or risks the public might face if the project did not receive approval and had to use D-B-B. Mr. Heger reported the fiscal risks are the unknowns associated with tracking sources of funds and meeting auditing requirements. There could be significant costs if the overall plan is incorrect and the project is incurring inefficacies in the different bid packages.

Mr. Beaudoin said the team has considered smaller packages early in the process for various scopes, such as early earth work. Some time was spent working with geoengineers and the civil engineer determining whether the work would be possible during winter to stage the project for the fish window. Some necessary sequencing might call for completing the dirt work in the winter. However, that work would be at a 30% premium.

Mr. Stanton commented on the risk of smaller packages splitting much of the work between different contractors while attempting to maintain the schedule. The deadline has been established by RCW grant funds, which will expire in late 2017.

Mr. Davis said the proposed approached, although somewhat late in the process, provides a substantial financial benefit to the public, as well as helping manage the risks associated with the project. It's important for the PRC to understand that should the project proceed as a traditional project, there might be additional unknown risks and costs to the public.

Mr. Heger said another project goal is achieving quality because most of the work is completed using expensive heavy equipment and operators.

Mr. Palewicz referred to the time allocation of the consultants. One concern is ensuring consultant availability is consistent throughout the project. Mr. Heger confirmed his 80% availability to the project. Mr. Chandler added that 80% represents an estimated level of effort over the life of the project. He shared additional information on time allocation and the availability of Mr. Heger to devote time to the project.

Chair Panel Gimmestad invited public comments. There were no public comments.

Chair Panel Gimmestad invited the panel's deliberation and recommendation.

Mr. Graybeal said he believes the project is complicated and enables the opportunity for the team to discuss needs and methods that are not decisions made by anyone other than the GC/CM. That significantly impacts the ways to approach the job. The project qualifies for the GC/CM delivery method. Some of the other comments concerning the GC/CM being hired too late in the process and whether it's a missed opportunity is always a concern, as well as an opportunity. However, it's not a deal breaker as the statute is not implicit in its requirement to bring the contractor on at a particular time. The project sponsor has the opportunity to hire a GC/CM. Passing on the opportunity because of the lateness would lead to missing the advantage of having the GC/CM onboard, which is why he supports the application. In terms of the qualifications of the overall team, the right people are in place and the skill sets have been matched appropriately.

Mr. Palewicz expressed support for the application. During the last GC/CM training, Mr. Stanton attended the training and realized the benefits of using Heavy Civil GC/CM based on the class last June. That may be one of the reasons the application was submitted late, as that alternative wasn't well known by the team. The efforts for developing the team in such a short time with a good understanding of the project and the delivery method should be acknowledged. There is no reason not to approve the application.

Mr. Warnaca supported the application as a GC/CM project. Design is often considered the technical details and specifications while this particular project includes complexities, many stakeholders, and environmental sensitivities that lend itself more to being means, methods, and planning as part of the overall design. Although those elements are a large part of the design, they are not necessarily well represented in design documents and remain to be completed. The GC/CM alternative delivery would offer much value to the process that has yet to be determined that a D-B-B contractor would not be able to consider in a three-week period. He supports approving the application.

Ms. Semenova agreed the project is appropriate for GC/CM. She may be the only who believes the status of design is appropriate because the project sponsor is assuming some of the risk that will attract a larger contractor pool. In this particular project, completing more of the design is actually beneficial to the project.

Panel Chair Gimmestad said in terms of levels of design and timing with respect to the statute, those requirements are more applicable to vertical construction for the GC/CM to be onboard earlier in the process. It also pertains to the relevance of what it means to be completed with schematic design and design development in terms of the percentage of the development of the documents. It's a matter of perspective and ensuring the right people are hired. For this particular project and the complexities associated with an enormous area with many different elements and entities, it's challenging to achieve an understanding for moving forward. Since much of the work has been completed, it's important to have the GC/CM involved at this point. He supports approval of the application.

Mr. Lovell expressed support of the application especially after listening to the presentation and the responses to questions. The major work effort and risk for the project is the tremendous amount of earthwork. He would hope that as the project progresses after the GC/CM is hired that the team has the flexibility and nimbleness to make any necessary adjustments quickly through collaboration to ensure the project continues moving forward.

Mr. Davis spoke to the alternative should the project move forward under the D-B-B traditional method. That option would eliminate nimbleness and when things begin to break down, it would take months to resolve. Heavy Civil GC/CM is the best alternative, which speaks to the benefit the public receives by approving the project application.

Mr. Dobyns agreed the GC/CM project delivery alternative it is the most prudent use of public dollars to ensure protection of the public's investment in the project.

Phil Lovell moved, seconded by Chuck Davis, to approve Metro Parks Tacoma Heavy Civil GC/CM application for the Waterfront Park Project. Motion carried unanimously.

Adjournment

With there being no further business, Chair Gimmestad adjourned the meeting at 3:13 p.m.

Prepared by Valerie L. Gow, Recording Secretary/President
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