

CAPITAL PROJECTS ADVISORY REVIEW BOARD

PROJECT REVIEW COMMITTEE

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

**Meeting Notes
 June 27, 2019**

MEMBERS PRESENT

Tim Buckley, Private Sector	Mark Ottele, General Contractors
Quinn Dolan, General Contractors	Ed Peters, School Districts
Jim Dugan, Construction Managers	David Talcott, Design Industry Engineering
Bryan Eppler, Sepcialty Sub-contractors	Kyle Twohig, Owners - Cities
Jeff Jurgensen, Construction Managers	Janice Zahn, panel chair

STAFF, GUEST, AND PRESENTERS

Eric Aman, Schacht Aslani Architects	Victoria Nichols, ZGF Architects
John Baker, GenCap Construction	Butch Noble, City of Bothell
Talia Baker, Department of Enterprise Services	Julie Pyper, Grant County PUD
David Beaudine, CBRE	Roxann Robinson, CBRE
Mike Brophy, West Valley School District	Kindra Scobba, Mortenson
Greg Cardwell, Grant County PUD	Russ Seiler, Grant County PUD
Rob Gross, CBRE	Stacy Shewell, OAC
Jeff Howell, Samaritan Healthcare	Jeff Sperry, City of Bothell
David Jobs, OAC Services	Theresa Sullivan, Samaritan Healthcare
Chris Johnson, Grant County PUD	Tim Thomas, Barten Construction
Brett Karshner, Turner Construction	Alex Town, Samaritan Healthcare
David Klinkenberg, Grant County PUD	Angela VonEssen, West Valley School District
oe Kunkel, Samaritan Healthcare	Graehm Wallace, Perkins Cole
Erin Leonhart, City of Bothell	Ned Warnick, Design West
Krista Lutz, OAC	Matt Whitish, Design West
Mike Muhlenhaupt, Stanley Consultants	Sheila Wood, Grant County PUD

WELCOME AND INTRODUCTIONS

9:00 am

GRANT CO. PUBLIC HOSPITAL DISTRICT– SAMARITAN HEALTHCARE REPLACEMENT FACILITY – GC/CM PROJECT

Panel Chair, Mark Ottele reviewed the timing and the presentation format to consider the GC/CM Project application from Grant County Public Hospital District for the Samaritan Healthcare replacement facility. Panel members: Tim Buckley, Quinn Dolan, Bryan Eppler, Jeff Jurgensen, Ed Peters, David Talcott and Kyle Twohig provided self-introduction.

Project Presentation Summary:

Applicants introduced themselves: Derek Barathem, Victoria Nichols, Joe Kunkel, Teresa Sullivan, Alex Town and Jeff Howell.

The Samaritan Healthcare project in Moses Lake is just finishing design and would like to get the GC/CM on board. They meet the criteria for the approval of the GC/CM process. There are three or four hospitals under construction at the same time in the same area. This is approximately a \$90M construction contract. Teresa gave the history of the Grant County Public Hospital District. With this particular project, they spent significant time seeking community input and feedback, which helped put the strategic plan together. The goal is to create more access to primary specialty care. The hospital is outgrowing its 11 acres. There are also a number of structural concerns with the existing building. The program that they're looking at is a 50 bed facility. Medical office building development is not part of phase one but is

important for us to maintain space for specialists to practice. The proposed facility is approximately 148,000 sf which is comparable to the current facility.

Victoria presented the early conception design. This is a new building on a new site, comparable to the size and capacity of the previous building. GC/CM selection is scheduled for October. USDA has approved investing for the program and requested an application in regards to performance. GC/CM methodology was chosen to keep expenses down.

Public Comments:

Tim Thomas, Barten Construction - We offer support to the GC/CM process. There is a great interest from the general contractor community, both East and West of the mountains. Value engineering is more about validation of the current budget and having a GC/CM on board up front will help with that.

Sheila Walden, Grant County PUD – It has been a challenge for many people in the area to have specialized services. This is a unique opportunity for enhanced services, maintaining and retaining skilled positions and staff which has always been a challenge in Grant County. As a community member, I support this opportunity.

Panel Deliberation and Determination:

The project meets the criteria and is a great project. It is unfortunate they had not gotten the GC/CM involved earlier in project design. All members indicated they intended to support the project.

***Ed Peters motioned to accept the application. David Talcott seconded the motion.
The panel voted unanimously to approve the GC/CM project.***

10:00 am

WEST VALLEY SCHOOL DISTRICT – APPLE VALLEY & SUMMIT VIEW ELEMENTARY – GC/CM PROJECT

Panel Chair, Ed Peters reviewed the timing and the presentation format to consider the GC/CM Project application from West Valley School District for the Apple Valley & Summit View Elementary Replacement. Panel members Tim Buckley, Quinn Dolan, Bryan Eppler, Jeff Jurgensen, Mark Ottele, David Talcott and Kyle Twohig provided self-introduction.

Project Presentation Summary:

Applicants introduced themselves: Mike Brophy Angela VonEssen, Sheila Wood, Greg Brown, David Beaudine, Roxanne Robertson, Rob Gross, Brandon Wilm, and Ned Warnick. The applicants reviewed their individual responsibilities and experience.

The intent is to replace two elementary schools with new 60,000 sf buildings. The facilities are about two miles apart. The desire is to complete both schools by the 2021-2022 school year.

The school district sold bonds and the state matched funds totaling \$71M. The project is estimated to be \$68M with contingencies of approximately 8 percent. The schedule is tight. The contractor will be selected by end of June. Design West will contribute to the value engineering portion as well as a third party consultant. There will be tight guidelines on this project.

This project matches three requirement for GC/CM as per RCW. It has complex scheduling coordination phasing and there is a tight schedule. We want to be on site early for demolition. We are eliminating some of the escalation built in the budget by working on both projects and getting a head start on early bid packages. We want the GC/CM to be engaged to provide value in constructability and cost efficiency. We will be working closely within the neighborhood and want to be good neighbors. We want to have positive outreach into the community from the beginning.

Public Comments:

Phil Lavel, past PRC member – I'm concerned is over the relocation of elementary school kids to the high school.

Panel Deliberation and Determination:

The panel appreciated the logistics and planning and being able to have a single construction entity involved early to focus on two schools. This seems to be a perfect fit for GC/CM. The GC/CM delivery model is for complex delivery. One concern is the possible contaminated aspect of the construction site. Edmonds School District had recently engaged in a similar strategy of building two elementary schools with one GC/CM, and it was well worth doing as significant savings were achieved.

Bryan Eppler moved to accept the application. Tim Buckley seconded the motion. The panel voted unanimously to approve the GC/CM project.

11:00 am

GRANT COUNTY PUBLIC UTILITY DISTRICT – LOAD GROWTH – DESIGN-BUILD PROJECT

Panel Chair, Bryan Eppler reviewed the timing and the presentation format to consider the Design-Build Project application from Grant County Public Utility District for the Load Growth Project. Panel members Tim Buckley, Quinn Dolan, Jeff Jurgensen, Mark Ottele, Ed Peters, David Talcott and Kyle Twohig provided self-introduction.

Project Presentation Summary:

Applicants introduced themselves: Russ Seiler and Mike Muhlenhaupt.

Grant PUD was formed in 1938 and has approximately 100,000 customers that range from residential to agricultural. There continues to be a high demand for electricity. There are two hydroelectric dams in the county so rates are low, with a huge demand for services. We are staffed to complete about two substation sites a year using the traditional design-bid-build method. We have a five plus year backlog. We estimate that by using design-build we can capitalize on schedule savings and save up to two years.

Russ reviewed the completion of eight substation sites in a previous project that was just over 18 months. He described the contract and developing the procurement process and interviews. They needed a partner with experience in design-build tech projects, and believe Stanley fits the bill. Everyone on the team has more than 20 years' experience in project management.

Mike presented the individual team members and their background in design-build projects. The scope of the project includes Red Rock substation and the transmission lines that serve it. Schedule is huge driver for the need for design-build. We just completed a design-build and want to bring some enhancement to the next one. We are looking to the design-builder to help figure out how to help specific customers as they come online.

Multiple sites in the project provide a huge opportunity for quality and efficiency. Every substation has a control house that has a tab wiring in it. There were lessons learned from the last project that can be applied here. We learned to trust our design builder and streamlined resolving issues and working through the problems during construction. On this project we want to lead. We also learned a lot about the kind of information that should be passed to the design-builder to ensure their success.

Public Comments: No public comments.

Panel Deliberation and Determination:

The project meets the statute criteria, and the design-build approach is appropriate. They come into it with a base scope and design-build will manage that. The presentation filled in a lot of the gaps in the application. With Robynne on their team, a lot of initial concerns were alleviated. They kind of skipped over the budget, and the applicants could have

covered their experience in specialized areas. They qualify on their merits, but could have covered their specialized activity better.

***Ed Peters moved to accept the application. Jeff Jurgensen seconded the motion.
The panel voted unanimously to approve the Design-Build project.***

12:30 pm

CITY OF BOTHELL – BOTHELL FIRE STATIONS 42 & 45 REPLACEMENT – DESIGN-BUILD PROJECT

Panel Chair, Janice Zahn reviewed the timing and the presentation format to consider the Design-Build Project application from the City of Bothell for the Bothell Fire Stations 42 & 45 Replacement Project. Panel members Tim Buckley, Quinn Dolan, Jim Dugan, Bryan Eppler, Mark Ottele, David Talcott, and Kyle Twohig provided self-introduction.

Project Presentation Summary:

Applicants introduced themselves: Erin Leonhart, Jeff Sperry, Dave Jobs, Jennifer Philips, Bruce Kroom, and Krista Lutz.

The project is seeking approval to use Design-build to raise and rebuild two fire stations as well as temporary facilities while those are in construction. Our fire stations are 42, which is our downtown fire station and 45 which is in Canyon Park. The City of Bothell as a community has changed a lot since these fire stations were constructed.

We believe that progressive design-build is the best value opportunity to deliver this project rather than traditional design-bid-build, which has been our traditional way of delivering. We went through the process of doing alternative delivery workshop analysis with the city and had key members from the city including procurement, purchasing, our capital projects group, and then the fire crew. We will have potentially two temporary sites for project phasing, and intend to utilize the design builder to come up with the best method for the temporary facilities.

The first site that we plan to start with is Station 45 and that's located on the Snohomish County Canyon Park area. With the current growth and our initial preliminary study, we are standing with an approximate of about 17,000 square foot building with a four grade apparatus. And this building also includes a satellite office or a police department.

Station 42 which is located in King County Downtown Bothell, that's our headquarters training site and administration services with the campuses of the colleges around the area. Our preliminary study shows that we have 26,000 square feet.

Bruce Kroom, Deputy Chief Fire Marshal for City of Bothell gave a history on the two fire stations and call history. He explained the deficiencies in the workout facilities and lack of truck capabilities. He reviewed the challenges of the two stations to serve their current needs.

Budget for the project is \$35.5M, and is fully funded through bond. The estimated project funding from the design-build team is \$24M. That's close to 70 percent of the entire project budget with a separate line item for some of the temporary facility costs. There is a contingency of \$3M, which is approximately 8 percent of the entire project budget or 12 percent of the design-builders budget. We have already done an outreach meeting with the community and potential design builders.

From a design build perspective, the schedule is a little unique. It has four project sites, the two stations as well as two temporary facilities. There is a greater opportunity for innovation with the complex phasing and

scheduling of 10 facilities and local permits for the stations. We feel it is best to have a design-builder on board that can help us to do that most efficiently for two stations.

This project meets all the criteria outlined in the RCW's. The City of Bothell is a really great team and are well organized to be innovative and collaborative internally.

Public Comments: No public comments.

Panel Deliberation and Determination:

The panel shared some comforts and concerns as well as shared some advice for the applicant. The project meets the criteria. After looking and hearing more about this project, the panel is confident OAC is capable of getting them through their first Design-Build project. There is no question in the marketplace today that the ability to secure your GMP six to nine months earlier than any other delivery method will save the owner a fortune. The methodology makes complete sense, but the reviewers need to monitor the reviews with the people who are going to be approving the permits because those individuals are going to have to get ready to move quickly. It's going to be a faster pace than what they're used to. They have the funding to do this project, and there is hope they follow through with looking at their procurement policies and spending time getting the electives on board. When writing the RFQ/RFP, the applicant will want to include some verbiage similar to, *'if by chance the additional funds are needed for temporary facilities, then we will be going to council to get it'*. This will be a really good test of the industry and hopefully they'll be sharing with other owners the lessons they learn.

***Jim Dugan moved to accept the application. David Talcott seconded the motion.
The panel voted unanimously to approve the Design-Build project.***

1:30 pm ADJOURN