CAPITAL PROJECTS ADVISORY REVIEW BOARD

PROJECT REVIEW COMMITTEE

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

August 23, 2017

Minutes

MEMBERS PRESENT
Bill Dobyns, Lydig Construction, Inc. Jon Lebo, University of Washington (Panel Chair)
Jim Dugan, Parametrix Linneth Riley-Hall, Sound Transit (Panel Chair)
Rustin Hall, ALSC Architects, P.S. (Chair & Panel Chair) Jeanne Rynne, The Evergreen State College
Neil Hartman, WA State Bld. & Constr. Trades Council Mike Shinn, Shinn Mechanical

STAFF, GUESTS, PRESENTERS
Talia Baker, Department of Enterprise Services Emma Nowinski, Weinstein A=U
David Cline, City of Tukwila Ron Panzero, King County Marine Division
Ed DeBroeck, King County Marine Division Henry Perrin, King County Marine Division
Dave Gephardt, Spokane Public Facilities District Tricia Roth, King County
Steve Goldblatt, City of Tukwila Stan Schwartz, Spokane Public Facilities District
Tom Gow, Puget Sound Meeting Services Greg Suko, King County Transit Division
Carrie Holmes, Shiels Obletz Johnsen Kevin Twohig, Spokane Public Facilities District
Justine Kim, Shiels Obletz Johnsen Matt Walker, Hill International, Inc.
Mike McDowell, Spokane Public Facilities District Ed Weinstein, Weinstein A&U

WELCOME AND INTRODUCTIONS
Panel Chair Jon Lebo called the CPARB Capital Projects Review Committee Panel to order at 9:02 a.m.

SPOKANE PUBLIC FACILITIES DIST – INB PERFORMING ARTS CENTER – DESIGN-BUILD
Panel Chair Lebo reviewed the timing and the presentation format to consider the Design-Build project application from the Spokane Public Facilities District (PFD) for the INB Performing Arts Center project. Panel members Bill Dobyns, Jim Dugan, Neil Hartman, Jon Lebo, Linneth Riley-Hall, and Jeanne Rynne provided self-introduction. No panel member was recused from participating in the discussion and vote. A majority affirmative vote of the panel is required for approval of the application.

Project Presentation
Michael McDowell, Project Chair, Spokane Public Facilities District (PFD) Board of Directors, reported that as the Project Chair and because of his interest and support of the Design-Build procurement method, he completed the Design-Build Institute of America (DBIA) class and is now holds an Associate DBIA credential. He introduced project team members. Matt Walker, Hill International, has served the PFD in various capacities and is the project’s DB consultant. Stan Schwartz, PFD, serves as the project’s legal counsel. Dave Gephardt, Project Manager, PFD, is the project manager for the project. Kevin Twohig, CEO, PFD, has successfully served in that capacity for over 20 years.

Mr. Twohig reported the PFD operates the Spokane Veterans Memorial Arena, Spokane Convention Center, and the INB Performing Arts Center. The INB Performing Arts Center was constructed for the 1974 World’s Fair. The building has never been closed throughout its existence. The project will close the center for six months during 2018 for renovation. The original intent of the project was to create better ADA accessibility. The PFD consulted with experts on public theaters. The experts recommended some improvements, which informed Integris Architecture in defining the scope of the improvements, attain good accessibility to the auditorium, and upgrading outdated building systems in the auditorium, back stage, lobby, and music room. The project scope includes closing the building in May 2018 for six months. Work must be completed within the six-month window. All scheduled shows have been deferred during that period or relocated to other facilities. The six-month construction window is important as a Broadway show has been scheduled to open on November 2, 2018. The budget is based on a fixed GMP with a flexible scope of $20 million. The PFD needs a design-
The PFD is comfortable in the DB collaborative environment having completed other DB projects to include a current and ongoing DB project approved by the PRC last year.

Mr. Gebhardt reported the PFD completed its first alternative delivery project in 2003 as a GC/CM $90 million project. The next project was a DB project in 2013-2015. The same team played a major role in that project with the exception of Larry Soehren, who serves as the Board Chair.

Mr. Walker reviewed the project budget of $20 million. The majority of the budget is the Design-Build contract. A 5% contingency is allocated for the owner to comply with the RCWs, as well as inclusion of sales tax of $1.5 million and legal and specialty consultants and other miscellaneous costs. Pending approval by the PRC, the PFD would like to issue the Request for Qualifications (RFQ) on August 24 with statement of qualifications due on September 8. The PFD plans to short-list the firms on September 12 and issue a Request for Proposal (RFP) on September 15 with proprietary meetings scheduled on September 29. RFPs are due on October 6 with selection of the design-builder by October 10. A notice to proceed would be issued on October 18 with construction beginning immediately through July 2018. The construction phase is May 1, 2018 through October 26, 2018 with the closeout phase from October 29, 2018 through December 31, 2018.

Mr. Schwartz described the procurement approach, important contract elements, and how the project qualifies for the DB procurement method.

Mr. Schwartz reported he has been a practicing attorney for the last 30 years and began with the City of Spokane in 1985 where he worked on a number of large and small capital projects. He left the City in 2000 and joined a full-service legal practice. He works with many municipalities in eastern Washington, as well as with many special purpose districts and developers engaged in large-scale projects. He is comfortable within the land use environment, as well as the construction environment. He has worked with the PFD on three other DB projects and is currently involved in a project for the City of Airway Heights approved by the PRC earlier in the year. The project is currently in the validation period. The project is his fifth progressive DB contract. He is experienced in drafting and reviewing RFQs, RFPs, and participating in proprietary meetings. The build-up to contract decisions is very important to the Design-Build process. He is a fan of the DB process.

The project team has worked together for several years. Robyn Parkinson has always been and will continue to be a great resource.

Key points in the success of the RFQ include:
- Success with renovation projects of similar scope
- Team expertise with similar buildings and systems
- Experience in developing GMP collaboratively

The RFQ will be very project-specific because the project entails an old building requiring renovation to be ADA-compliant during a narrow timeframe. One of the pressure points is event contracts at the end of the construction period. The project requires a successful team with experience of similar scope to complete the project successfully.

Mr. Gebhardt is the team member knowledgeable in the operation of the building and that requires good communication with the Design-Build (DB) team so the team understands the history and mechanics of the building originally constructed in 1974. It is incumbent upon the owner team and the DB team to identify the problems and unknowns to resolve issues. Proprietary meetings are important because they provide an opportunity for the teams to share unique solutions to the problems and possible unknowns or unforeseeable situations. The team values the collaboration in developing the GMP and the importance of proprietary meetings with the finalists.
The DB agreement is a lengthy and comprehensive document. Two important aspects important to the development of a project include:

- **Validation and GMP Development Period**
  - Examine and validate information from the owner
  - Commercially reasonable examination of building
  - Identify innovation and develop basis of design documents, project schedule and GMP
  - Agree on GMP contract amendment

- **GMP Execution Period**
  - Complete Design
  - Construction
  - Close out

Mr. Schwartz reviewed how the project meets the intent of the RCW and benefits from a Design-Build delivery:

- **RCW 39. 10.280(2)(a) “Substantial Fiscal Benefit”**
  Limited budget to deliver the District’s project scope. The Design-Builder must possess specialized building knowledge and construction expertise. The Design-Builder’s early involvement mitigates design/construction risk to the owner and the design-build team.

- **RCW 39.10.300(1)(b) “Greater Innovation or efficiencies between the designer and the builder”**
  By maximizing coordination of design, limited demolition and construction phasing there should be timely project delivery and cost efficiency.

- **RCW 39.10.300(1)(c) “significant savings in project delivery time”**
  Progressive Design-Build is the fastest PW delivery method. Ordering long lead items prior to completion of design is beneficial to the schedule.

- Design-Builder input on “means and methods” will further work with proposed schedule.

Mr. Twohig thanked the panel for listening to the presentation. The team is available for any questions.

**Panel Questions**

Panel Chair Lebo invited questions from panel members.

Bill Dobyns asked whether the turnaround time is sufficient if the RFQ is published in the next day with a September 8 due date. Mr. Twohig said the intent is use an A-3 approach, which entails a one-page RFQ with resumes. The one page document includes relevant information about the firm to enable the owner to short list candidates.

Linneth Riley-Hall asked about the lessons learned from the current Progressive DB project that could be applied to the proposed project. Mr. Twohig replied that all alternative projects completed by the PFD have resulted in lessons learned. The lessons from the current project entail providing more guidance to the contractor on the timing for completing specific elements of the project. For example, the current project included a component of rebuilding hockey team offices involving a lengthy process. If that element had been moved to the back end of the project rather than the front-end, public spaces would have been opened for the start of the hockey season. Some of the public spaces are not anticipated for completion by the beginning of the hockey season, which starts in 30 days.

Mr. Schwartz shared that his takeaway is that the validation period is incredibly important. At the onset, there must be trust between the owner and the DB team. Secondly, frankness is important, as there are things each party might not want to hear in terms of the expectations and desire for the end project. Those expectations require compromise and a commitment. The validation period is important because it involves trust, integrity, fairness, expertise, and all other elements necessary for the project.

Ms. Riley-Hall asked the team what they view as the difference between Progressive DB and DB. Mr. Twohig said from a practical perspective, both methods are not dramatically different, as the methods require collaboration and having the right team members. Progressive DB enables more project efficiency. Mr. Schwartz added that Progressive DB affords
more flexibility than Traditional DB offering more room for negotiation and more frankness of what is possible for delivery.

Jim Dugan asked about the available time for project managers as the organizational chart indicates 25% for the project manager to include 25% for all phases of the project. It appears no other team member is assigned other than Mr. Gebhardt as reflected on the organizational chart. Mr. Twohig replied that Matt Walker previously worked for the PFD fulltime but is now with Hill International. Based on other projects, the PFD estimated time Mr. Hill would need to be on site to help manage issues. Otherwise, he, Mr. Gebhardt, and Project Committee members would assist and meet with the contractor and ensure the job foreman’s needs are fulfilled. Construction specifications, testing, and other issues would be handled in house. The project manager serves as a problem solver. If the project lacks problems, there is no need to allocate more than 25%.

Mr. Walker commented on the amount of work he has completed with the PFD. His experience during construction is that less effort is required by the owner than on a DBB project. Overall, the allocation of 25% is not too much out-of-line. He has worked closely with the team. Additionally, the Project Committee team is a strong group and would be involved as well.

Mr. Gebhardt added that for the current project, he devoted 100% of his time at the start of the project. After initiation of the project and he becomes better acquainted with the superintendents and his time lessened, but he is always available should there be a need. The 25% allocation is an average over the life of the project. His office is mobile and once the project is initiated, he is on site and all needs are addressed.

Mr. McDowell said that from an owner’s perspective, the Project Committee is available and has committed to the design-build team to answer questions promptly. The committee has committed to quick decisions and the Board has authorized the Project Committee to render decisions along with senior staff. The committee acts quickly and does not contemplate delays in decisions.

Panel Chair Lebo asked whether the PFD has received feedback from any interested design-builders. Mr. Twohig affirmed the PFD has received input from design-builders. The PFD did not assume it would be possible to complete the project in six months without validating the schedule with three different firms in Spokane. All three firms evaluated the project and offered comments that have been incorporated within the process. The firms also provided some input on what could be accomplished, such as the curtain wall system. Major components of the project were analyzed in that respect.

Public Comments
There were no public comments.

Panel Deliberation and Recommendation
Panel Chair Lebo invited the panel’s deliberation and a recommendation.

Mr. Dobyns said the project meets all the requirements and is a good candidate for the DB delivery method.

Ms. Riley-Hall agreed, as the Design-Bid-Build (DBB) process would result in a successful project. The applicant has satisfied the RCW requirements and the team has previous DB experience, as well as Progressive DB experience.

Mr. Dugan agreed the project satisfies the statutes and the team has the experience. The schedule demonstrates that the project is somewhat interesting, as it resembles a hybrid. However, the RCWs allow hybrid projects to help determine which method works effectively.

Jeanne Rynne said the application was well prepared and the presentation demonstrated experience.

By acclamation, the Panel voted unanimously to approve the Spokane Public Facilities District Design-Build application for the INB Performing Arts Center project.
The meeting was recessed from 9:37 a.m. to 10:01 a.m.

CITY OF TUKWILA 3 FIRE STATION REPLACEMENT PROJECT – GC/CM

Panel Chair Linneth Riley-Hall reviewed the timing and the presentation format to consider the GC/CM project application from the City of Tukwila for the 3 Fire Station Replacement project. Panel members Linneth Riley Hall, Jon Lebo, Bill Dobyns, Jim Dugan, Rustin Hall, Neil Hartman, Mike Shinn, and Jeanne Rynne provided self-introduction. No panel member was recused from participating in the discussion and vote. A majority affirmative vote of the panel is required for approval of the application.

David Cline, City Administrator, City of Tukwila, said he has been with the City for over six years and is excited to present the project to the PRC for approval of GC/CM. The City of Tukwila is a small city of 20,000 people; however, over 150,000 people report to work in the City each day necessitating the need for large capital projects. Last month, the City installed a new $10 million pedestrian bridge with three large cranes. The proposed project is the largest single capital project and involves replacing five major public buildings. The first three projects are the City’s three fire stations. The fire stations are over 40 years old. The project was part of a public works bond of $120 million.

Mr. Cline introduced team members. All team members have worked on a GC/CM project with some having more GC/CM experience than other members. The Mayor is an elected position. The Mayor has been on the Council for 15 years and has been involved in the project for the last 10 years. The City successfully passed a ballot measure to fund the project. Bob Giberson is the City’s Public Works Director and was unable to attend the meeting because of attendance to a national conference in Florida. Steve Goldblatt works with the City Council as a consultant to ensure program management quality assurance. Justin Kim leads the team and is with Shiels Obletz Johnsen. Mr. Cline said he worked with Shiels Obletz Johnsen 10 years ago during the Burien joint City Hall/Library project. Carrie Holms is a project manager with Shiels Obletz Johnsen. Project architects for the project are Ed Weinstein and Emma Nowinski with Weinstein A&U.

Mr. Weinstein reported the Tukwila Public Safety Program includes Fire Station 51, Fire Station 52, and Fire Station 54. Fire Station 51 is approximately 9,400 square feet and consists of a two-bay neighborhood fire station that would be constructed on a parcel owned by the City of Tukwila. Fire Station 52 is approximately 15,000 square feet and is a three-bay main fire station that includes the fire headquarters administrative offices, training room, and community facilities. Fire Station 54 is a two-bay neighborhood fire station of approximately 9,300 square feet in size. The most important aspect of the project is the similarity of the facilities designed on a prototypical basis with established common structural systems and mechanical and electrical systems to facilitate ease of maintenance over the lifetime of the facilities.

Mr. Weinstein displayed a concept level site plan for Station 51 located on City property at the intersection of South Center Parkway and 180th. The facility is oriented to the intersection for traffic control. The facility is a single level, two-plus bay facility with public parking. The large rear yard would be banked for a future training tower and an equipment barn.

Ms. Kim reviewed the project budget details. The project budget for all three stations totals $32.9 million with a construction cost of $22.5 million. The City selected the GC/CM delivery method because of complex scheduling and phasing. All three stations will be executed as one single project. Existing stations are seismically deficient, are located in floodplains, and need to be replaced concurrently to the extent possible. A single GC/CM would coordinate and streamline the bidding and construction process for all three stations. One of the potential sites for Fire Station 54 is the existing station location. If this site were selected, construction activities would have to be phased to accommodate the existing fire station. The City is undertaking a site evaluation process for the two stations. The site evaluations would benefit from GC/CM participation in terms of constructability, site access, delivery route access, and laydown area. The involvement of the GC/CM during design of the fire stations would be very critical and assist in the success of operations, safety and health of firefighters, and ease of maintenance for critical facilities. The GC/CM would be able to participate in the real-time cost of construction for each phase and respond accordingly. The GC/CM would participate in vetting design team’s assumptions to minimize constructability issues, eliminate costly problems, and calibrate the quality of all station designs. The GC/CM would also respond to the escalating market and could procure certain early bid packages.
during the design phase to minimize cost impacts to the project. The City is hopeful it can utilize the GC/CM delivery method to facilitate the delivery of three stations with overlapping schedules within the operating budget on time. The design and construction team for three fire stations would be one team to help in minimizing change order exposure during construction. The GC/CM would participate in packaging the bids appropriately to fit the marketplace and realistically set expectations prior to contracting.

Mr. Cline outlined the skills and abilities of the team. The City of Tukwila has completed large projects with plans to replace all infrastructure under South Center over the next six years. The City recently completed an interchange project of over $20 million off Interstate 5 in conjunction with the Washington State Department of Transportation. Mr. Giberson has been employed with the City since 1989 and serves as the lead on many of the projects. Team members represented by Shiels Obletz Johnsen and Weinstein A&U have completed many GC/CM projects from the RFP stage through bidding and construction. Fire Station 10 was a very successful project located next to King County Courthouse.

Mr. Cline reported he has over 25 years of local government experience and currently serves as the President of Washington City Management Association. He has been actively involved in the national association for the last 15 years and has worked on different projects in five cities and in King County. He served as the Finance Director for King County District Court. He was involved in the GC/CM Buren City Hall/Library project in 2012.

Mr. Giberson’s experience includes many projects. Many of the projects include Boeing Field, which is located partly within the City limits. Mr. Giberson has led the City’s capital projects.

Ms. Kim reported Shiels Obletz Johnsen has delivered many GC/CM projects. Her most recent GC/CM project was the Pike Place Market Front project and she is currently involved in the Cascadia Elementary School and Robert Eagle Staff Middle School projects in the Northgate area. She is currently working on the GC/CM Bagley Elementary School project and completed the Seattle Fire Station 10 project with Mr. Weinstein and Mr. Goldblatt. She has 30 years’ experience in design, project, and construction management, is an architect by training, and managed all assigned projects from concept to delivery.

Ms. Holmes reported she has 15 years of experience in public and private design, project management, and development projects working mostly on a day-to-day level with projects. She most recently was involved with Ms. Kim on the same projects and in the same relationship as the senior project manager on the Pike Place Market Front project. She is confident that the team can successfully execute the project.

Mr. Weinstein said he is an architect that has practiced in Seattle the past 45 years and is the owner and founder of Weinstein A&U for the last four years. The firm is a 30-person professional architecture firm completing a significant amount of public works projects. He cited a series of public projects the firm has designed to include a number of fire stations, police stations, and federal courthouses. Of the list, the two largest public safety facilities are the City of Seattle’s Fire Station 10/EOC/FAC facility and the Seattle West Precinct/911 Center. Both projects were completed using the GC/CM delivery method. The federal courthouse was a $74.3 million renovation of the historic Court of Appeal building delivered for the GSA.

Ms. Nowinski said she is serving as Mr. Weinstein’s project manager for the three fire station projects and as the primary point of contact between the design team and the GC/CM moving forward. She began her career 15 years ago on the contracting side as an engineer for a general contractor. After switching to the architecture side, she has been involved in a number of GC/CM or private equivalent projects and was recently involved in the Seattle Fire Station 32, which just opened last week in west Seattle. The project started as a GC/CM project through the design phase. During the bidding process, the GC/CM was terminated because the City did not believe the contractor met the delivery promise. The project was rebid yielding a number of lessons learned that will be incorporated within this project.

Mr. Weinstein provided additional information on the two large GC/CM projects completed in Seattle. The City of Seattle Fire Station 10/Emergency Operations Center/Fire Alarm Center was completed by Hoffman Construction in 2008 for a final construction cost of $44.3 million. The project complexity was unique in terms of communications systems, electronic systems, and the downtown location in a very tight sight with 50-foot slopes and no lay down area. The project
was complicated and warranted using the GC/CM delivery method. The second large project was the City of Seattle West Police Precinct/911 Communications Center involving unique complexity of a tight urban site with sophisticated electronics serving both call takers for 911 and the downtown police precinct. The project was completed in 1999 at a cost of $16 million.

Mr. Goldblatt reported he has been hired by the Tukwila City Council to report to the Council on the actions of the Project Executive Team and to share Council information and feedback with the Project Executive Team. The Tukwila City Council includes seven members who are employed in other positions. Most members of the Council are not experienced with public works. The Council retained assistance for planning assistance during the Public Safety Plan for the three fire stations, Justice Center, and the Public Works Shop over a four-year period. As a direct report to the City Council, he also reports to the Project Executive Team, which includes the Administrative Team and the consultants. The reporting structure works both ways between the bodies. Normally, he serves as a referee on public projects and has been involved in over 64 GC/CM projects. He was one of the authors of RCW 39.10, as well as the predecessor to RCW 39.10 (39.04.220) from 1991, which initiated the GC/CM delivery method in Washington. Three years later with a small working group, RCW 39.10 was passed. He is one of the few members still working as most have retired. The proposed project serves as a good basis for how the RCW, when originally drafted was amended to include large cities, universities, and the state. This project requires the assistance of a GC/CM. The budget is very tight and the timeline is complicated. The ability to have one contractor working with the design team to ensure the right design for all three stations is achieved makes it a good candidate for GC/CM delivery.

Mr. Cline concluded the presentation and noted the project is significant for the City of Tukwila. The Council is on the line because the project is funded by a public vote for additional taxing authority to construct the projects. The City believes it meets the criteria for GC/CM in many aspects ranging from complex scheduling, phasing, and coordination. The GC/CM delivery method would also be critical for the project’s success. The City has established a strong GC/CM team with experience and a record to successfully implement the GC/CM for this particular project.

Panel Questions
Panel Chair Riley-Hall invited questions from the panel.

Jim Dugan complimented the team for the strategy of one designer and one builder for three back-to-back essential facilities, especially in today’s market and the project team’s concepts for efficiencies in design prototyping, sequencing/staging, and packaging packages. Information on Fire Station 54 referencing temporary housing or potential phasing was unclear. He asked for clarification of that process. Mr. Cline replied that Fire Station 54 is located across from Foster High School and is located on a very small parcel. The project requires more space and the City is considering three other locations. One station might require the purchase of additional residential properties. Should the Council select that option, the City would need to construct the station while operating from an existing station on the same parcel. Two other undeveloped parcels under consideration are located two blocks north and to the south of the current location.

Ms. Rynne asked about the measures to implement in the contract if the worst case scenario plays out where the first fire station project does not progress well. She asked whether the City would have the opportunity to terminate the contract or whether the contract includes other mitigation measures. Ms. Kim replied that the scheduling is separated appropriately. The critical decision point is during GC/CM negotiations. While the first project is in GC/CM negotiations, the remaining two projects would be concluding design. If the City was not successful in securing a price with the first fire station, there would be an opportunity to rebid the project.

Mr. Lebo expressed appreciation for the presentation on the re-application. He asked the applicant to discuss the differences between the approach for this particular application versus responses to questions during the first presentation. Mr. Cline said the first presentation was the first time the City applied for GC/CM. The team was not as clear on meeting the criteria for GC/CM regarding complex scheduling. Although a single fire station may not appear to be complex, the City views the station as a family of three fire stations. Consequently, team members presented the project as one package and designed using the same prototypes for each building.
Ms. Kim said there were also questions about the role of Mr. Goldblatt, which was articulated more in this application along with adding personal background and experience.

Mr. Cline added that his work with firefighters on a daily basis educated him on the safety needs of firefighters with respect to the building’s design. Safer buildings are needed as many firefighters die of cancer because of unsafe buildings, such as the installation of carpets that might retain bodily fluids after firefighters respond to an EMS call. The importance of that was not clear in the first application as a design of a fire station is critical for the safety of staff.

Rustin Hall reported that PRC members typically evaluate an application on (1) whether it meets the RCW criteria, (2) whether the owner has an experienced team, and (3) whether that team is available to the degree required for successful delivery of the project. As the City has never completed a GC/CM project, the application lacked commitment from the consultant as to the level of involvement necessary to ensure success. Ms. Kim replied that she is nearing completion of her largest project in the next several weeks. Most of her time would be devoted to the Tukwila project. She also is supported by a full-time project manager and would be able to oversee all activities to ensure GC/CM RCW criteria are achieved.

Mr. Hall said the schedule reflects the schematic design would be completed prior to the hiring of the GC/CM. He asked for clarification because the delay in hiring the GC/CM would benefit the project less. Ms. Kim said the City’s intent was to advertise after the first presentation; however, advertising was delayed by a month because of the denial. The intent is to hire the GC/CM near the mid- to end of schematic design, which was the original target requiring some calibration in the schematic design schedule to benefit from the GC/CM.

Mr. Weinstein said the team agreed the most important input from the GC/CM is electrical, mechanical, and structural systems. Because Fire Station 51 is a one-story facility, the team is comfortable with the structural system. Most of the input the team would be seeking from the GC/CM is mechanical and electrical, which would be tied to the end of schematic to integrate the input.

Mike Shinn asked about the difficulty of locating land for two of the stations and whether the budget includes the acquisition of property. Mr. Cline replied that the City is a developed community. The City owns the property for Fire Station 51. The City completed a study for locating fire stations in the community. Fire Station 54 could be constructed on its current parcel with the Council considering acquisition of adjacent properties. The City has the available budget for the acquisition as well as eminent domain authority. The last site would likely be located on the City Hall campus or on another property purchased by the City. Sites have been identified and the Council is expected to make the decision in the next month.

Mr. Shinn asked whether the City plans to award a contract to one general contractor for all three projects or release different bids. He asked whether the City has considered ECCM or MCCM for electrical and mechanical needs. Ms. Kim affirmed the team would like to work with the general contractor to identify ECCMs and MCCMs early in the process to facilitate design.

Mr. Goldblatt noted the City would hire only one GC/CM for all three stations.

Mr. Dobyns asked the team to share some of the lessons learned from the failed GC/CM project, as well as how those failures might be considered for the proposed project. Mr. Weinstein said he and Ms. Nowinski have both experienced failed GC/CM projects. His experience involved a City Hall project for the City of Kenmore that was initiated as a GC/CM project but transitioned to a DBB project. The design of the facility occurred during the onset of the recession. Because it was critical to ascertain cost estimating and general contractor costs, the team soon learned the GC/CM was very reluctant to document any optimism about cost savings as the recession was just beginning. However, many private sector projects were receiving very competitive bids because of the absence of work. City leadership was perplexed as to why the same circumstance was not occurring with the GC/CM. Consequently, the City confronted the GC/CM who indicated the numbers were correct in terms of subcontractor input, and out of frustration the owner’s representative recommended the City terminate the GC/CM contract and assume the risk of completing the documents under a DBB basis. The project MACC was $13 million. After publicly bidding the project in 2009, the final cost was $8.1 million.
representing 40% in savings from the original MACC. The issue surrounded market timing where the GC/CM was reluctant. Although the firm values input from the GC/CM on all systems, the owner was very frustrated with the ability of the GC/CM to demonstrate any savings.

Ms. Holmes said her project was a three-pronged problem. At the end of the design process, she realized that the owner had not received much value during preconstruction services because of the lack of collaboration during the design process such as the GC/CM suggesting alternate systems or offering more efficient cost solutions. There were some late suggestions to change the structural system. The GC/CM was also not providing competitive estimates throughout the design and the estimates continued to inflate whereby external estimators did not believe the numbers were appropriate. The mechanism for termination occurred during the bidding process. The City was uncomfortable about the level of outreach to a variety of bidders with multiple bid packages including self-performed work and perhaps one other bidder. The project was bid in 2013 and after releasing the bid, the City realized $4 million in savings between the prior GC/CM MACC and the actual MACC.

Mr. Lebo commented on the total budget amounts for construction and design and the breakdown of the figures between the three stations. He asked whether the goal was to have one contract and whether the City meets the threshold for the GC/CM and MCCM if there are separate contracts. He asked for clarification as to whether there would be a single contract for three stations. A single contract for three stations over a period might result in issues of intention and other issues related to tracking costs. Three contracts might not meet the threshold for MCCM. Mr. Goldblatt responded that he believes the vision is one GC/CM, one mechanical, and one electrical contract for one project consisting of three stations at three locations overlapping in time with a logical transition from one design/construction to the next. That may involve a leveling of work effort and flow for one mechanical and one electrical contractor. Continuity is important for trade packages, as different contractors would not provide continuity of systems.

Mr. Hall inquired about legal counsel representation for the project. Mr. Cline replied that the City primarily relies on the City Attorney. Any specialized services are contracted. The City’s bond counsel was Foster Pepper but has since changed to Pacifica. Typically, legal counsel is dependent upon the legal expertise required.

Ms. Kim added that the project would utilize the same contract used for the Pike Place Market Front project as a base, which the Tukwila City Council will review.

Public Comment
There were no public comments.

Panel Deliberation and Recommendation
Panel Chair Riley-Hall invited the panel’s deliberation and a recommendation.

Mr. Shinn said he believes the project meets the criteria and he would vote in favor. In terms of the legal representation, the project includes Mr. Goldblatt, who has been involved in dispute resolutions as a member of the Dispute Resolution Board. Additionally, questions about MCCM speak to the example in Oregon, whereby bids have been advertised for CMBC, a process similar to Washington’s, which is a release of a MC/EC package for both mechanical and electrical. The goal to achieve savings might be conducive to that format, as the project could avoid three different subcontractors with three sets of submittals. Although the processes appear to be similar, the option of pursuing one process would be beneficial.

Mr. Lebo said he asked the question because three separate contracts would not meet the threshold and the issue is how the City intends to structure the contract.

Mr. Dobyns said his company is witnessing much value in that approach especially in contracts the company has where multiple projects have been combined. There is much value in pursuing that approach and using the same trades and suppliers for commonality to the extent possible across the project. That would be a good approach for this project.
Mr. Dugan said Fire Station 51 has procurement activity occurring near or at the end of schematic design while Fire Stations 51 and 52 are late in the process. However, since the project is using the same prototype for the other stations, his concerns were lessened. The project has good talent especially for the design and construction of a fire station, which is unique because it is a breed unto itself as emergency responder requirements especially in the fabric of a community are very complicated. He added that when an agency has used alternative delivery, those agencies routinely do not have the resources that Mr. Goldblatt is providing to the City. It is difficult to change behavior at a government level. The nuances of project work is often questioned by officials who have no knowledge or experience and it often requires another entity to help articulate information while the team continues moving forward to avoid delay as time in the market can often be expensive. Having the service of Mr. Goldblatt is a wise move for a city that is embarking on its first alternative delivery project. He supports the project application.

Mr. Hall shared that his son is a firefighter and he is supportive of the importance and the uniqueness of the facilities, as well as the personnel. The level of cancer risk firefighters face is much more than most people realize. He has had worked with Mr. Goldblatt and agrees with Mr. Dugan because Mr. Goldblatt will make the difference. Although he understands that no specific legal counsel has been identified, should the City need guidance from someone who is well versed on GC/CM, Mr. Goldblatt has that experience. He also understands that the remaining two fire stations are constructed later in the process, and that the GC/CM would be fully involved. Overall, he supports the project.

Mr. Lebo said he supports the project for the same reasons as discussed in terms of complexity and the ability of staff to complete the project. He is familiar with GC/CM and the difficulty of obtaining involvement from the general contractor and subcontractors in this environment. Subcontractor involvement is really missing from the GC/CM process even in an MC/ECCM process; however, there are many trades that are critical to the success of the project. This is more of a statement about how he would like to see more DB where it is possible to have the designers, contractors, and subcontractors work together early in the project. The GC/CM process is something that was necessary early as way to obtain agreement from the Legislature for alternative public works, but he would like to see it transition to DB. The problems the City experienced on other projects were also experienced by the University at least once. One project involved the termination of the GC/CM early in the process. A more recent case included termination of MC/ECCM firms for a variety of reasons. He would like to see more DB encouraged in the industry. The contractor involvement is critical to the success of the project.

Panel Chair Riley-Hall supported the application as the project team is strong and the project meets the RCW requirements for GC/CM. The project team has the background and the experience to deliver a solid GC/CM project.

Mr. Dugan spoke to the issue of bundling projects to create incentives in the marketplace for response. The PRC approved a school district project just recently involving the bundling of four elementary schools. As references were contacted, the school district opted not to go with single subs because of the aggregated size of the project. That was the defining factor for making the decision. In today’s market, it was a wise move. Other evidence also points to the benefit of packaging projects to draw contractors. The response from the market indicates that it is the right way to pursue projects today.

By acclamation, the Panel voted unanimously to approve the City of Tukwila 3 Fire Station Replacement project GC/CM application.

The meeting was recessed from 10:50 a.m. to 11:00 a.m.

**KING COUNTY DEPARTMENT OF TRANSPORTATION – PIER 50 FLOAT REPLACEMENT PROJECT – DB**

Panel Chair Rustin Hall reviewed the timing and the presentation format to consider the DB application from King County Department of Transportation for the Pier 50 Float Replacement project. Panel members Bill Dobyns, Jim Dugan, Rustin Hall, Neil Hartman Jon Lebo, Linneth Riley-Hall, Jeanne Rynne, and Mike Shinn provided self-introduction. No panel member was recused from participating in the discussion and vote. A majority affirmative vote of the panel is required for approval of the application.
Ron Panzero, Operations and Maintenance Manager/Project Manager, King County Department of Transportation Marine Division (KCMD), provided an overview of the Marine Division. King County Marine Division initiated passenger-only ferry service in 2009 with one 25-year old leased vessel. Today, KCMD operates three state-of-the-art high-speed catamaran ferries and a maintenance facility serving more than 600,000 passengers last year. In partnership with Washington State Ferries, KCMD is building a new passenger-only ferry terminal to accommodate increasing ridership. The partnership includes Kitsap Fast Ferries (KFF).

Since 2009, KCMD has delivered more than $20 million in capital projects and is expected to deliver another $35 million in capital projects in the next 18 months.

Mr. Panzero displayed an aerial photograph of the float site and two vessels. The new float must fit within existing infrastructure. A second photograph depicted tidal differences demonstrating how the new float would interact, as well as improve ADA access.

Mr. Panzero said he is a member of the project team and has over 34 years’ experience in the marine industry with 17 years’ experience in delivering marine capital projects using DB and DBB procurement methods. His latest project using the DB method was the delivery of two high-speed catamarans. Both catamarans were delivered on time and within budget. The project used a DB approach with a RFQ process to qualify shipyards followed by a RFP process for evaluation of proposals.

Another team member is Greg Suko, Construction Managing Engineer, KCMD.

Mr. Suko reported his experience spans public works with King County for the last 24 years. He has served in different capacities with King County mostly in construction management. He has completed several DB projects but most of his experience is with DBB. Most of his experience has been with the Wastewater Treatment Division involving large complex projects. He serves in the Department of Transportation Marine Division and all resources within the department would be available to support the project.

Tricia Roth, Contracts Specialist, King County, reported she has served in the procurement field for approximately 30 years with 20 years in the private sector and 10 years in the public sector. A portion of her time was spent as a project manager developing scopes of work. She also worked as a contract administrator. She has previous experience with Sound Transit, worked on DBB projects, as well as architectural engineering, and overshadowed the primary contract administrator on the Operating Maintenance East project recently awarded earlier in the year. She also has an Associate DBIA certification acquired earlier in the year and would have oversight by internal management within her team, specifically Darren Chernick who managed Children Family Justice Center, and Christy Trautman who managed the Brightwater Outfall project (DB project).

Ed DeBroeck, KPFF, said he is a structural engineer with 10 years’ experience in the marine and waterfront industries. He has worked on DB projects for the last 10 years to include the Pontoon Construction Facility in Aberdeen. He assisted the state in defining the DB documents. He also worked on the project with the project team. Other experience includes work on the Bay Area Water Emergency Transportation Agency where he assisted in the agency’s waterfront projects, specifically in Alameda that has a facility similar to the proposed project. That facility serves multiple ferries on a large float infrastructure. He assisted the project beginning with concept design through delivery of the documents to secure the design-builder. He served as the owner’s representative through construction. He also worked in various capacities on the SR 520 Floating Bridge DB project and has unique experience in the trenches working through RFPs to ensure the best DB contract is secured. Currently, he is involved on several design assist projects that will utilize some of the key features of the proposed project. He is supported by staff to include DBIA-certified staff members. He has worked with Mr. Panzero and the team over the last year assisting in defining the preliminary project scope, as well as the Coleman Dock project for the last two years. The Coleman Dock project is a large GC/CM project integral to this project.

Mr. Panzero said although the Marine Division is small, the Division is nimble and is able to use all the departments in King County to include King County Procurement and the King County Prosecuting Office to assist in drafting the RFQ,
evaluation criteria, and the RFP. The team will use the previous documents developed by a maritime attorney when the vessels were constructed. Those documents will be used as the base to move the process forward.

One of key components of the project is quick decision-making. Mr. Panzero said his supervisor is the decision-maker and they work closely today and render decisions during conversations. There should be no delays in this process.

The KCMD’s portion of the Coleman Dock project is the passenger-only ferry terminal. Henry Perrin is the Marine Division’s representative for the passenger-only ferry project. Mr. Perrin is also a member of the project team. Mr. Panzero said he and Mr. Perrin and will coordinate efforts to ensure the project meets the timeline for completion of the passenger-only ferry terminal.

The delivery date is September 2018 when the passenger-only facility at Coleman Dock over Pier 50 will be completed and ready for installation of the new float. The team expects to release a RFQ to qualify construction firms in October with finalists shortlisted in November and the RFP issued shortly thereafter. RFPs will be due in January 2018 with the finalist scored and the team selected towards the end of January or the first part of February. Design will commence with a notice to proceed issued in February 2018. Construction is expected to take three to four months with the float delivered no later than September 2018.

The project budget for the Pier 50 Float Replacement project is 80% funded by a federal grant with a 20% local match. Professional services, construction costs, equipment and furnishing, contract administration, contingency for design and engineering, and other related costs total $5 million.

Mr. DeBroeck said the project meets the requirements of RCW because of the specialized construction. The float project is unique because it is a floating structure with a 50-year design life operating within an extreme environment. To achieve the 50-year design life, the construction of the float is important. The material will consist of a concrete float, which speaks to multiple ways of construction to afford a 50-year design life. The DB process enables the DB teams to approach the construction process in a way that is most efficient for the team rather than methods that are constraining. The DB process helps in the efficiency of the project. Only a few contractors and design-builder teams are qualified to construct the project. Other industry professionals might want to tackle the project for the first time, which speaks to the importance of the review process to select only teams with specific experience and qualifications to complete the work.

Another criterion in the RCW is innovation and efficiencies. The team believes the project has many opportunities for innovation, as there are different construction methods that can be utilized for extending the design life to 50 years. There are also several unique constraints on the design as there are existing vessels that must align and co-operate in addition to ADA requirements and a gangway attached to the float. There are many different ways a DB team could approach the strengths of the project that might be constrained by using a DBB method.

The team also believes it is possible to reduce long-term maintenance costs with a concrete float and DB options by ensuring the float can remain in service during extended periods of maintenance.

Mr. Panzero spoke to delivery time savings. The goal is to take advantage of best practices of the designer-builder relationship. That delivery method works best for the Marine Division and worked very well for the vessel construction project because there were fewer change orders and a reduction in the construction period.

The Marine Division believes the project’s public benefit is directly tied to cost savings with the reduction in change orders. There are scheduling efficiencies versus a DBB process whereby the construction can start before the design is fully vetted because some elements of the project do not need to be completed at the onset, affording savings in time.

QUESTIONS FROM THE PANEL
Panel Chair Hall invited questions from the panel.

Mr. Dobyns asked whether the pier would remain operational during construction. Mr. Panzero replied that GC/CM closed and moved the passenger facility for one week. The facility has been moved to the north side of Pier 52.
Operations continue from that site. After completion of the new facility, the facility should not experience any shut down if the facility is delivered on time.

Mr. Lebo said it appears the Marine Division would be using the same documents that were used to purchase the marine vessels. He asked whether that would be considered overkill. Mr. Panzero said the documents would serve as a basis for the documents. He does not envision that utilization as overkill as King County is fairly risk averse and consequently, the Marine Division is pursuing all cautions to ensure all documentation is correct.

Mr. Lebo asked whether design-builders would be providing a proposal in response to the RFQ that spells out a concept design and price that would be evaluated for selection of the team. Mr. Panzero said the documents would include owner requirements and preferences. Mr. Lebo asked about the process when the selection is determined. He asked about the elements that are evaluated. Mr. Panzero said the evaluation period is a relatively short period. The timeline from November to January is for the firm to develop their project proposal.

Ms. Riley-Hall asked whether the applicant followed RCW 39.10 for the vessel project. Mr. Panzero replied that although it was not a requirement because vessels are considered rolling stock, the county wanted to follow the DB process because the project was design-built, which is how the project moved forward after the county attorney prepared the contract and released the RFQ and RFP. The process followed the DB method, which is why the Marine Division would like to use the same process as it worked very well for the vessel project. Mr. Riley-Hall commented that if the Marine Division is not required to follow the RCW process, the project likely would not require all steps. She asked whether the project team followed all steps outlined in the RCW and whether the team's experience was drawn from that prior DB project.

Mr. Panzero said the team followed the process to the extent possible, as that was the selected process by King County Procurement. While purchasing a vessel is not much different than purchasing a bus, many more elements were involved. King County Procurement wanted the Marine Division to follow stricter guidance. The Marine Division argued against, as it required several months to prepare the documentation. The Maritime attorney and the Prosecuting Attorney’s Office were responsible for developing the documents. It was an arduous process. However, the process worked successfully, which is why the team wants to use DB for this project. The vessel project demonstrates the team’s experience in DB. Mr. Panzero said he worked closely with the construction company to include some features that were desired on the vessels. One was an integrated man overboard platform. As part of that process, he was able to gain some experience as many marine capital projects include elements requiring some degree of design function. He is typically heavily involved in that design aspect, which is why he believes DB works very well. He was able to control the process while involved in and assisting with innovative design features.

Ms. Riley-Hall asked which team member would be providing the DB experience to assist throughout the DB process. Mr. Panzero said Mr. Suko and Paul Brodeur, Marine Division Director, were involved in the DB process for the vessels project. He would also rely on Mr. Perrin for DB experience in conjunction with Mr. DeBroeck, who has much DB experience.

Mr. Lebo said he does not want to minimize the challenges or the complexity of the scheduling but as a peer, there are other firms with the capacity and capability to complete this type of project. This type of project is not unusual because many similar projects have been constructed. His intent is to understand more about the complexity. Mr. DeBroeck replied that KCMD has utilized the DB method for float manufacturing long before DB really came into the spotlight. It has been typical to be a turn-key process in the construction documents where the floats would be a component that are designed and built by the manufacturer, which serves as a sub to the main contractor. This project is a typical process for a float. For this particular project, the goal is to turn the delivery system over to the design-builder so not only manufacturing the float but to ensure all ancillary items, connections, and delivery are tied into one project rather than just one small component. The process has been completed many times. The team has conversed with several firms that have constructed similar floats and reviewed the schedule to ensure it is achievable and that the costing elements are within the approved budget.
Mr. Lebo commented that in terms of DB as an alternative public works project, in a marine environment involving the construction of piers, DBB would be considered alternative public works for DB. Mr. DeBroeck affirmed that would be correct for a floating structure.

Panel Chair Hall asked for more detail about Mr. DeBroeck’s role during post-selection of the design-builder. Mr. DeBroeck said his role is assisting the builder complete design and ensure all criteria are achieved for King County’s operation, as well as interfacing with the larger Coleman Dock project to ensure utilities and gangway installations align with the proposed project.

Ms. Riley-Hall inquired about any other members who have completed DBIA certification to help supplement experience.

Mr. Shinn asked whether the gangway is a component of the project. Mr. Panzero said Kaufman Construction is coordinating the movement and placement of the gangway.

**Public Comments**
There were no public comments.

**Panel Deliberation and Recommendation**
Panel Chair Hall invited the panel’s deliberation and recommendation.

Ms. Riley-Hall expressed some concerns about the limited experience of the project manager and other members of the team. Her concern surrounds the experience factor as it relates to DB.

Mr. Lebo noted that the University of Washington has a marina and he served as a project manager for a marina project. DB is a very explicable consideration as many of the floats were design-built. He understands why King County wants to use the DB method. He would have bypassed the purchasing department if it were possible to release a purchase order as it essentially involves building a pier and floating it to the site for installation. He would view it as a purchase order in a DB application.

Mr. Shinn said the project would be constructed off-site and with the experience of KCMD, it is likely the county would use the right concrete and the right mix of contractors.

Mr. Dobyns said the equipment is specialized and that it is normal in the industry to use DB. He does not have any concerns with the county’s ability to complete the project.

Ms. Rynne said she is also somewhat concerned about the lack of background in DB; however, the project meets the definition of DB, as it is infrastructure, turn-key, and straightforward with a specialized contractor.

Mr. Lebo said he pointed out the alternative of a DBB because of his experience with a marina project that was completed using DBB where the float was design-built. This project lends itself to a DB method as it involves specialized firms. He would question the county if it elected to pursue a DBB, as the county would not be taking advantage of the right tools that are available through DB.

Mr. Riley-Hall asked about the experience level of the team. Mr. Lebo replied that he believes that the team is experienced having completed the DB vessels project, as well as other small DB projects. He believes the DB method is the preferred method.

Panel Chair Hall remarked that he appreciates the point of view, as it appeared there was a lack of experience on DB projects; however, the vessels project is very similar to the proposed project, which essentially is a boat. He referred to portable facilities as an example but believes the prior DB project involved a due diligence effort to learn DB per the RCWs. Fortunately, the county was successful. He believes the team’s experience is okay as it is an unusual project. To Mr. Shinn’s point, the project will be built in another area and moved to the location.
Mr. Shinn said the project is similar to a Sound Transit project where the agency constructed concrete components off site for an elevated platform.

Ms. Riley-Hall said her concern surrounds the experience of the team rather than the project type. She does not have any qualms about the project, but rather the lack of experience of the team is somewhat troubling.

Mr. Shinn recommended reviewing the organizational chart as many of the individuals are familiar in the construction industry and have many years of experience.

Ms. Riley-Hall said that was the basis for her questions surrounding support to ensure the right support system is available.

Mr. Lebo said he believes the team has the right kind of qualifications. He cited the different positions and the ability of team to walk through the process to ensure the requirements are followed. The team has the experience for DB. As he noted earlier, the marina project he worked on should have been a DB project, although it did have a DB component.

Panel Chair Hall said another angle he considered was supposing the team had produced a DB built traditional building; however, that might not have been the necessary experience for this particular project as this project is totally different.

Ms. Riley-Hall affirmed that the PM and KPFF have the DB experience. The contract side will rely on others within contracts that have the experience.

*By acclamation, the Panel voted unanimously to approve the King County Marine Division Design-Build Application for the Pier 50 Float Replacement project.*

Ms. Riley-Hall encouraged the team to complete the DBIA training especially if the agency anticipates pursuing other DB projects.

*Adjournment*

*With there being no further business, Chair Hall adjourned the meeting at 11:45 a.m.*

Prepared by Valerie Gow, Recording Secretary, Puget Sound Meeting Services, psmsoly@earthlink.net