

**CAPITAL PROJECTS ADVISORY REVIEW BOARD**  
**PROJECT REVIEW COMMITTEE**  
**Northwest Carpenters Facility**  
**25120 Pacific Highway South**  
**Kent, Washington**  
**January 28, 2016**  
**9:00 AM**

**Draft Minutes**

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**PANEL MEMBERS PRESENT**

Curt Gimmestad, (Chair), Absher Construction	John Palewicz, University of Washington
Rick Benner, Western Washington University	Tom Peterson, Hoffman Construction Company
Kurt Boyd, Valley Electric (Telecon)	Joe Stowell, City of Oak Harbor
Rustin Hall, ALSC Architects, P.S.	Howard Hillinger, Parametrix
Chuck Davis, Seattle Central College (Telecon)	Vicki Barron-Sumann, Minority/Women Business
Mike Shinn, Shinn Mechanical	Shasta McKinley, Civil & Environmental Consultants
Bill Dobyns, Lydig Construction, Inc.	Jonathon Hartung, SHKS Architects P.S.
Tim Graybeal, Integrus Architecture	Rob Warnaca, Mortenson Construction
Ian Kell, Seneca Group	Yelena Semenova, Department of Enterprise Services (Telecon)
Jim Burt, King County	

**STAFF, GUESTS, PRESENTERS**

Danelle Bessett, Department of Enterprise Services	Ken Gimpel, City of Spokane
Tom Gow, Puget Sound Meeting Services	Kyle Twohig, City of Spokane
Mark Ottele, Granite Construction	Steve Hansen, City of Spokane
Thuy Hong, Sound Transit	Robert Ward, AECOM
Christy Sanders-Meena, Sound Transit	Greg Brown, OAC Services
Nick Datz, Sound Transit	Dan Chandler, OAC Services
Don Davis, Sound Transit	Brad Taylor, Port Townsend School District
Taehee Han, Sound Transit	Kirk Robinson, The Robinson Company
Ted Lucas, Sound Transit	Craig Sheets, The Robinson Company
Mike Purdy, Michael E. Purdy Associates, LLC	Brian Carter, Integrus Architecture
Graehm Wallace, Perkins Coie LLC	Linneth Riley-Hall, Sound Transit

**Welcome, Introductions & Rule Review**

Chair Curt Gimmestad called the CPARB Capital Projects Review Committee meeting to order at 9:08 a.m.

Chair Gimmestad introduced new member, Joe Stowell, representing Cities. Mr. Stowell provided information on his professional background and current position with the City of Oak Harbor as the City Engineer.

All members provided self-introduction. Kurt Boyd, Chuck Davis, and Yelena Semenova participated in the meeting via telecon.

Chair Gimmestad advised that the next PRC meeting is scheduled on March 24. The agenda includes recertifications, certifications, project reviews, and a discussion on a proposed dual application for recertification for Design-Build (D-B) and GC/CM and possible revisions to the scoring sheet to accommodate dual certifications.

Chair Gimmestad reported on the outcome of the recent GC/CM class. Over sixty individuals participated in the class. A number of names are included on a waiting list for the next class.

Howard Hillinger reported on an upcoming one-day seminar on Alternative Project Delivery: Best Practices and Lessons Learned hosted by the Pacific Northwest Chapter of Construction Management Association of America on Friday, March 25 at the Red Lion Inn in Bellevue. He encouraged members to offer suggestion for additional agenda topics and register to attend if interested. Registration is limited to 120 individuals.

Chair Gimmestad encouraged members to submit any agenda items for the March 24 meeting. He is scheduled to provide a report to the Capital Projects Advisory Review Board at its February 11 meeting. The update will include a report on the value of GC/CM and D-B projects reviewed by the PRC in 2015. A copy of the report will be emailed to all PRC members.

### **Sound Transit – Recertification**

Chair Gimmestad reviewed the presentation format to consider the GC/CM Recertification from Sound Transit. Consideration for a recertification application is reviewed by all PRC members in attendance. Approval by 14 members is required for approval of the recertification. Members in attendance included Jonathan Hartung, Joe Stowell, Mike Shinn, Bill Dobyns, Howard Hillinger, Shasta McKinley, John Palewicz, Curt Gimmestad, Tim Graybeal, Vicki Barrens-Sumann, Jim Burt, Rustin Hall, Ian Kell, Tom Peterson, Rick Benner, Rob Warnaca, Chuck Davis, Kurt Boyd, and Yelena Semenova. Linneth Riley-Hall recused herself from the deliberations.

Linneth Riley-Hall, Procurement Contracts Design & Construction Contracts Manager, Sound Transit, reported she is responsible for procurement and contract administration for all Sound transit design and construction contracts including Design-Bid-Build (D-B-B), GC/CM, D-B, and Job Order Contracting for all alignments. She is supported by experienced and exceptional alternative public works supervisors Thuy Hong and Nick Datz. Mr. Hong serves on the CPARB M/E-CCM Best Practices Committee as Sound Transit’s representative. Ms. Riley-Hall serves as an ACG GC/CM class presenter and is a current member of the PRC, as well as the past chair.

Don Davis, Executive Project Director for the Northgate Link project reported he is responsible for the delivery of the project to include four GC/CM contracts, two of which are Heavy Civil contracts.

Christy Sanders-Meena, Principal Construction Manager for the University Link Extension project, reported the project was the first Sound Transit project to utilize GC/CM project delivery. The project included three GC/CM contracts for construction of the Capital Hill Subway Station, the University of Washington Station, and systems and track work.

Mr. Davis reported that approximately six years ago in September 2009, he appeared before the PRC to present Sound Transit’s first GC/CM’s project application. At that time, Sound Transit had delivered approximately \$10 million in transportation infrastructure to include the initial segment of the commuter rail line from Lakewood to Everett, as well as a number of express bus facilities. In November 2008, voters passed an initiative to fund Sound Transit 2 (ST2) adding \$14 billion to the program. At that time, Sound Transit recognized that all public delivery tools would be required and considered GC/CM as a good tool. GC/CM projects included the initial segment, Airport Link, and the University Link. ST2 projects include the South 200<sup>th</sup> Link Extension, Northgate Link Extension connecting the University of Washington to Northgate, East Extension project consisting of 14 miles with 10 stations, Lynnwood Link Extension project of 8.5 miles to the north of Northgate with four stations, and the Federal Way Link Extension for progression of the design as funds become available.

Sound Transit’s use of GC/CM included the procurement of seven GC/CM contracts. Heavy Civil GC/CM contracts included the East Link from Seattle to South Bellevue and from downtown Bellevue to the Spring District. The Northgate Link extends from University of Washington to Northgate and includes two underground stations (GC/CM) located at the U District and one at Roosevelt with an elevated station at Northgate (Heavy Civil GC/CM). The Lynnwood Link is a Heavy Civil D-B contract and is currently in process of award. The systems contract (Heavy Civil GC/CM) is in process for both the East Link and the Northgate Link projects. All GC/CM projects total approximately \$1.7 billion. One contract scheduled for award later in the year is the final leg of the NE 200<sup>th</sup> Street to Lynnwood Station as a Heavy Civil GC/CM project.

Potential ST3 projects based on 2016 November voter approval include:

- Light rail extensions to :
  - Everett
  - Tacoma
  - Downtown Redmond
- East-West connections, such as Ballard and W. Seattle
- Additional capacity through downtown Seattle

- Other light rail, commuter rail, and bus improvements as necessary

Mr. Riley-Hall reviewed how the agency determines the GC/CM delivery model. Early in the process, the agency conducts contract packaging workshops to determine the number of contract packages and the delivery method for each contract package. A recent example is the Lynnwood Link Extension. The project team met early in the process to determine the number of contract packages and procurement methods. The project team reviews goals and the risks for each package to include size, complexity, interfaces, number of jurisdictions, construction access, and staging, etc. A recommendation is forwarded to the Executive Director for approval followed by a request to Procurement and Contracts for review, evaluation, and to determine whether there is sufficient experience on the project team. The application is either approved or resubmitted for additional information.

Sound Transit ensures effective management throughout the process by ensuring:

- Interdepartmental participation during Procurement and Contract Administration:
  - DECA, Construction Management, Project Controls, Office of Small Business Development and Labor Compliance, Legal, Risk Management, and Finance
- Compliance with RCW 39.10
- Monitor Schedule, Budget, Scope
- Active Communication
- Review Contractor Performance.

Procurement controls include standardization of documents:

- Procurement Activity List
- General Conditions
- Boilerplate Contract Documents/Templates

Within Sound Transit, all staff members are encouraged to attend a minimum of 16 hours of training per year. Most staff members involved with GC/CM projects have completed GC/CM training. Sound Transit also engages in internal round table discussions to share information on project successes, benefits, and lessons learned.

Ms. Sanders-Meena reported the University Link Extension is a 3.15 mile extension of the Central Link and includes twin bored tunnels, an underground station at Capitol Hill, and a terminus underground station at the University of Washington. Design on the project was initiated in 2007 with construction commencing in 2009. Currently, the project is undergoing pre-revenue testing to certify and train operators. Service is scheduled to begin on March 19. The project budget was \$1.948 billion. The project is 99% completed and running six months ahead of schedule with a budget surplus of over \$150 million.

Sound Transit has successfully managed the three GC/CM contracts by developing a collaborative relationship with contractors to ensure that during the pre-construction service phase, meaningful constructability review and value engineering are possible. The process addressed risk allocation during the design phase prior to MACC negotiations. Sound Transit has a very robust risk management program. GC/CM contractors are involved in quarterly reviews of the overall project risk. Sound Transit was able to reconcile costs at key design milestones to ensure a mutual understanding of project costs. A baseline schedule was established and supported with subcontractor packaging plans. For the systems and track contract, Sound Transit identified the need for an early minimum-MACC to procure track materials to support the schedule. Sound Transit established a fair and reasonable MACC benefitting both the agency and contractors.

Lessons learned on the University Link Extension were the importance of early selection of the GC/CM delivery method and engagement of contractors early in the design. The project was able to use GC/CM at the 90% design level. Despite the timing, the agency believes it provided tremendous value to include the contractors and complete preconstruction services.

On the Northgate project, the agency held the design at 60% and then engaged the GC/CM contractors. For the Lynnwood Link project, the agency is holding back the design process and engaging contractors at 30% completion of schematic design. The UW Link project was difficult both technically and in scheduling as the agency had limited access

to install track in the tunnels. To complete the stations, it required a systems contractor working with Heavy Civil contractors. The ability to engage the contractors early through the GC/CM process to establish an early collaboration with all three contractors enabled agency success. One of the lessons learned is the importance of reconciling costs at key design milestones to avoid any surprises during final MACC negotiations. Early development of the subcontract packaging plan and procurement strategy were very important.

Chair Gimmestad invited questions from members.

Mr. Shinn asked how the agency or the general contractor determines whether to use the MC/EM process when releasing bid packages. Mr. Davis replied that the Northgate project included two contracts of EC/CM and GC/CM because the determining factor was the complexity and the amount of work. The decision was rendered collaboratively between the agency, construction management group, and the prime GC/CM. One project not using the method was a simpler station that didn't have as many of the undergrounding components. The use is addressed based on the specifics of each individual project.

Ms. Sanders-Meena said that for the UW Link project, the agency asked during the RFQ phase whether the contractors believed it would be appropriate to use either an MC/EM or an EC/CM and why. After working with the contractor during the preconstruction phase, should the contractor indicate and the agency agrees, the method is scoped within the preconstruction services phase to engage the contractors early. Given the complexity of the UW Link and the underground stations, the agency favored the inclusion of those methods.

Mr. Hillinger asked how the agency negotiates self-perform up to 50% of the work for the Heavy Civil GC/CM in terms of the work to be negotiated and how accountability is provided to the taxpayers. Mr. Davis responded that generally, the agency categorizes information to the extent possible by bid certainty to secure hard pricing for as many items as possible and then estimates negotiated packages for support services. It's important to have a strong design for the scope of work. During the bid process, the agency works closely with the prime contractor to ensure a good understanding of which packages could be bid to assure the agency of price certainty and competition of those packages.

Ms. Sanders-Meena added that for the UW Link project, the agency believed the critical work would be the track. When the agency solicited proposals, the agency informed all bidders that some work was important for the GC/CM to self-perform. The agency completed a preliminary estimate based on engineering estimates in terms of that cost and percentage of the job. For the UW Link project, the agency was able to contract with a contracting team that had the capability. The agency also has the capability of preparing an independent construction estimate for the job.

Mr. Hillinger asked whether the negotiated self-perform is based on the criteria of the critical and technical elements. Ms. Sanders-Meena affirmed that for the UW Link, the track was the critical element of the work. The agency reviews all contracts and considers critical elements in each project. This project included seven miles of track on the East Link and on the floating bridge. The agency believed the work should be performed by the GC/CM and indicated a strong preference within the Request for Qualifications (RFQ).

It was noted that for some of the agency's other GC/CM projects, the agency asks the proposer to identify the packages of interest for self-performing, as well as providing feedback on their respective approaches to the packages. It's part of the evaluation criteria. The final proposal form includes a request to bid the fee for the self-performed negotiated portion of the work.

Mr. Benner asked how early in the process the agency informs the public about the type of delivery method and whether there's an opportunity to comment on the choice. Mr. Davis replied that Sound Transit has a robust public outreach program with community relations staff defining certain steps during the process to include public meetings. Typically, Sound Transit involves the community at the 30% design phase and shares the contracting philosophy.

Ms. Riley-Hall cited the Lynnwood Link as an example. After Sound Transit determined the number of bid packages, contractors and small businesses were invited to attend a meeting.

Mr. Hall asked about other successful projects in progress. Mr. Davis said the University Link project was successfully completed. A majority of the project is tunneling and there were challenges in terms of the different type of soils necessitating the repair of the boring machine several times. The project is currently trending several months behind schedule; however, there is sufficient time in the schedule to make up for lost time. The tunneling is not impacting the end date because the schedule included an additional five months at the end of the job. Tunneling has many inherent risks and unanticipated delays. The South 200<sup>th</sup> project is going well and should open on schedule and under budget.

Mr. Hall asked whether there were any regrets for the selection of GC/CM as the delivery method for the projects, as well as in terms of the additional flow time, he asked whether the contractor provided input on the schedule that included sufficient flow time. Mr. Davis responded that the tunneling project was a D-B-B contract. The team is moving into the phase for construction of the stations, which entail GC/CM contracts. It's necessary to wait until the tunneling operation is completed prior to turning the project over to the station contractors.

Mr. Warnaca congratulated the team on the successful University Link project. He asked how the team works with GC/CMs to enhance or improve minority, women, and disadvantaged business enterprise participation on the projects. Ms. Riley-Hall advised that because the projects receive federal funds, the agency has small business and DBE goals. The agency's department on Diverse Programs Office sets goals within each of the contracts and monitors achievement of the goals. During the procurement process, the agency is required to submit identification of small businesses and DBEs that the agency intends to use on the procurements. During the submittal of invoices, the agency is required to identify the payments to the small businesses as a way to track small business and DBE goals. Should issues arise, the agency's office works directly with the project team to meet goals.

Mr. Warnaca asked whether any opportunities were identified to meet goals through the self-perform heavy civil work. Ms. Sanders-Meena advised that the timing is too early for heavy civil having only recently received approval. Preconstruction services were recently initiated for the East Link project. The team is considering the ability to provide opportunities to small businesses for self-performance with the ability to negotiate some contracts rather than requiring bidding.

Ms. Riley-Hall added that with all the agency's GC/CM construction procurements, a pre-proposal meeting is conducted. At the conclusion of the meeting, an outreach event is held for small businesses and DBEs to network with the prime contractors. During the evaluation process, the agency has established criteria for outreach. It begins early during the planning phase rather than at the end.

Ms. Barron-Sumann reported a number of staff members within the agency are new since the previous certification. She asked about the rate of normal attrition versus a deliberate attempt to hire employees with alternate delivery experience. Mr. Davis said the agency increased staffing over the last several years in response to the ST2 program. Many new employees have been added and many in the construction management department have GC/CM experience and other alternate delivery method experience. Over the last several years, the agency has sought employees with experience in alternative project deliveries as part of the hiring criteria.

Chair Gimmestad invited comments from the public. There were no public comments. He invited the panel's deliberation.

Mr. Hillinger spoke to his positive working relationship with Sound Transit personnel on a seminar for best practices and the thoroughness of personal documenting the delivery method. He's also worked with Ms. Riley-Hall. Sound Transit was instrumental in introducing Heavy Civil GC/CM, as well as advancing the delivery method. The presentation was very thorough and he's appreciative that the agency shares its practices.

Mr. Gimmestad said Sound Transit has demonstrated and continues to demonstrate good practices in the GC/CM delivery method. The agency's interdepartmental communications to share information and ensure the process is carried forward correctly demonstrates how GC/CM is a public benefit of a delivery method. He favors recertification.

Mr. Hartung echoed similar comments. The evolution of the agency's understanding of the application of intent is apparent in the presentation.

Mr. Peterson said he's been involved with Sound Transit on several projects. Information conveyed during the presentation is accurate in terms of how the agency delivers projects. Not only does the agency have experienced personnel, they engage collaboratively. He supports recertification.

Mr. Palewicz said he's worked with Sound Transit and has much respect for the organization, particularly as the agency has moved toward alternative public works. The agency's recertification should be a model of how the PRC should consider agency certifications. When Sound Transit first considered utilizing alternate public works the agency sent its top leaders to the AGC GC/CM class to learn more about GC/CM. Many agency personnel have attended GC/CM training. It's a model the PRC should consider when it considers certification of other agencies because it's just not about contracting with consultants to complete the job, but it also entails the agency's highest level decision-makers understanding alternative public works.

Mr. Hall said many other agencies have affirmed that they plan to obtain the GC/CM training. Sound Transit is ahead of most agencies in terms of the exhaustive amount of effort in considering all potential delivery methods before selecting one alternative.

***Tom Peterson moved, seconded by Howard Hillinger, to approve the re-certification of Sound Transit for the GC/CM delivery method. Motion carried by a unanimous vote.***

The meeting was adjourned at 10:22 a.m. for a break.

**Panel Review – Port Townsend School District – Grant Street Elementary School Replacement – GC/CM**

Panel Chair Tim Graybeal reviewed the presentation format. Panel members included Shasta McKinley, John Palewicz, Curt Gimmetstad, Rob Warnaca, Jonathan Hartung, and Rick Benner.

Kirk Robinson, The Robinson Company, reported the firm is the project management firm selected for the project. He is the Principal-in-Charge for the project.

The project team provided self-introduction. Brad Taylor, Director of Facilities, Port Townsend School District, reported he is the owner's representative on the project. He was involved in the Northshore School District on one of the first GC/CM projects in the state. Mike Purdy, Michael E. Purdy Associates LLC, reported that he would serve as the GC/CM advisor to The Robinson Company and the school district. Brian Carter, Integrus Architecture, said he is the architect for the project. The project will be his 13<sup>th</sup> GC/CM school project. He acknowledged Loretta Sachs, Integrus Architecture, who serves as the Project Manager and has a wealth of GC/CM experience. Craig Sheets, The Robinson Company, reported he is the on-site project manager during the construction phase of the project. Graehm Wallace, Perkins Coie, reported he would be drafting and negotiating the GC/CM contract documents on behalf of the school district.

Mr. Taylor described the project. He identified the location of the project site on an aerial map. The school district explored different sites and selected the site because of its central location. The site is adjacent to an existing school and convenient for motorists, pedestrians, and bicyclists.

Mr. Taylor reviewed a diagram of the existing building. The project will be located in a developed woodland site because of the focus on outdoor learning. The project includes new roads and transit facilities.

Mr. Robinson said the project is a 65,000 square-foot new building. The existing building will be actively occupied through the construction phase, which is why GC/CM is an important delivery method for the project. The site will be active, as well as a sensitive site because of the presence of trees.

Mr. Carter displayed a conceptual diagram of the proposed building on the site. The diagram was prepared for the community. Education specifications have not been completed. The bond issue for funding the project is scheduled to go

before the voters next week. Following passage of the bond, the team will move into schematic design. The goal is to hire the GC/CM during the schematic design phase.

Mr. Carter displayed images from the Alderwood Middle School project in Edmonds. Integrus was involved in the design of the school, which faced similar challenges in terms of a facility that is conducive to an outdoor learning environment. The proposed project would benefit from GC/CM collaboration because it's a school, especially in Washington where architects and education facility planners are forward-thinking for 21<sup>st</sup> century learning environments. Today, projects are integrating instructional method solutions within the facilities that are complex in both trades and in construction solutions for the site. The new building will include an intensity of a variegated edge because of the opportunities for connecting indoor and outdoor learning environments. That equates to a larger building envelope requiring more coordination. Daylight is important in the facility scheme because the learning environment requires more glazing and integration of the trades around the building envelope. Early involvement of the GC/CM to assist the district explore constructability and securing and coordinating appropriate trades will be beneficial in the value provided to the school district. There is a tremendous desire for the facility to reflect sustainable stewardship as desired by the community. Sustainability features adds to the complexity of building systems. The Port Townsend community wants the district to pursue sustainability features to achieve optimal building performance.

Mr. Sheets reported that one of the challenges is constructing the new building on a fully occupied site requiring a complex and detailed phasing plan. Because of limited space on the site, traffic revisions will be necessary and relocation of transit facilities, parking, and a playground area to accommodate construction. The major focus of the phasing plan is safety. The project is on located on a site with elementary students and other programs to include a preschool, Head Start Program, and an alternate K-12 program for homeschooling. Each program has different start and end times involving the public, staff, and children. It's important to develop an effective safety plan enabling contractor access to the site. Early involvement of the GC/CM is important to review options and arrive at the best solution.

Another challenge associated with the site is steep slopes. Geotechnical analysis will be required of the steep slopes and surrounding soils to determine the best configuration and location of the building to take advantage of existing conditions and minimize owner's risk for earth work and excavations.

Mr. Taylor addressed questions submitted previously by the PRC in response to the application. The Robinson Company was selected because the company was the best qualified company from the RFQ and RFP process. The firm is a good fit with the project team. The inclusion of Mr. Purdy as the GC/CM advisor was another reason for the selection of The Robinson Company. Pre-construction management and strong estimating skills are a hallmark of the group, as well as significant experience in project management for K-12 schools. A GC/CM will contribute to the process creating a better product.

Mr. Robinson described his professional experience. He is currently the President of The Robinson Company. The company has completed 80% of cost estimates for western Washington schools. The firm is well versed in the cost of schools, as well as managing construction projects for 31 years. His background includes working as a general contractor-project manager. The firm has managed a wide variety of commercial and school projects. Additionally, he completed the AGC GC/CM class. The firm has been involved in the GC/CM delivery method since the state authorized the delivery model. To strengthen the team, Mr. Purdy was included on the team to ensure all statutes and regulations are followed, as well as best practices of GC/CM.

Mr. Purdy reported he has been involved in public procurement and contracting in the state for the last 35+ years working for the City of Seattle, Seattle Housing Authority, and the University of Washington as a contracting manager. He is now a consultant and provides training to include GC/CM training. He has guided 10 public agencies through GC/CM projects. Similarly, his responsibility on the this project entails assisting The Robinson Company and the school district with the procurement process, RFP, request for final proposal, preconstruction negotiations, MACC negotiations, and advising on the project.

Mr. Sheets advised he has 25 years of experience in construction management working for a general contractor during half that period. During that time, he managed a number of projects including several school projects to include the South

Kitsap High School and the Lake Washington Vocational Technical College in the Kirkland area. He began working for The Robinson Company 11 years ago as a project manager. Two recent projects were schools within the Capitol Hill area of Seattle. One school was a \$27 million renovation to an existing building on the Seattle Prep Campus and the second was a \$5.5 million project for St. Joseph's School. The project is similar to this project as the site was occupied that involved extensive planning for safety. The project was an addition and located within the footprint of an existing building. During the course of the contract, the school was in session each day and attention to safety was paramount.

Mr. Robinson reaffirmed the importance of safety to the project as the top priority. The firm's been very successful over the last 30 years by not encountering any safety problems on any projects. The Robinson Company insists and promotes safety at the beginning and works closely with contractors who believe safety is a high priority.

Mr. Taylor concluded the presentation and advised that he selected a strong team to represent the school district.

Panel Chair Graybeal invited questions by panel members.

Mr. Gimmestad asked about the primary challenges during the RFP process that facilitated the addition of Mr. Purdy. Mr. Carter said the addition of Mr. Purdy augments the team in moving forward on all aspects of the project. Budgets are constrained for any school project and it's important not to cost-minimize a building that would preclude desired architectural features. The ability to maximize the value of the budget for inclusion of instructional opportunities involves basics, such as balancing the site and avoiding excess site costs from unforeseen circumstances. At other school sites, many projects often flatten the lower half of a site by pushing earth to the top of the site. During the selection process, it's important to have a GC/CM involved to ensure the process is thoughtful in terms of how the team handles earthwork to balance the needs of the site successfully. The proposal includes stepping down the site of the building. The opportunity to engage an experienced civil contractor who is familiar with the area will be critical.

Ms. McKinley asked about the elevation of the slope. Mr. Carter said the scale of the slope is 12 feet from the base to the plateau. The site of the steep slopes is approximately 80 feet consisting of a series of plateaus with a significant slope. The intent is using the developed plateau (site of ballfields) to step down the site. The school district promotes outdoor learning and is proud of its maritime heritage. The school district promotes a program providing every elementary student with a "sit spot" outside where children sit and write in a journal as they view their surroundings and document changes in the environment over changing seasons. The proposed project is a single-story building stepped down along the slope of the site, which speaks to the complexity of the site and the construction challenges.

Ms. McKinley asked about the status of the project if the bond is not approved. Mr. Taylor expressed confidence that the voters will approve the bond. The school district is supported by a community member who is doorbelling to promote the bond. The response has been positive from the community. The school district has done an effective job of communicating the need to the community. The school district has over a 100 volunteers doorbelling throughout the city.

Mr. Wallace added that everyone lives in a community. In his community, many strong voices often oppose all public projects regardless of the project. Should the PRC not approve the project application, those opposing the bond would use that decision as a reason why the community should vote against the bond as the project team would be perceived as not qualified. A positive vote by the PRC is a positive vote for the bond because it sends the right message to the community.

Mr. Warnaca commented that it appears from the questions and answers that the team has invested some thought into hiring The Robinson Company for project construction management. He asked whether Mr. Sheets has GC/CM experience in his role as the full-time construction manager for school projects. Mr. Sheets replied that he hasn't been involved in GC/CM projects but has completed a number of negotiated GMPs with general contractors, which is similar.

Mr. Robinson added that another important factor after a project is initiated is quality of workmanship, schedule adherence, compliance with documents, change order review and fairness, and safety. Whether the project is a GC/CM delivery method, D-B-B delivery, or a negotiated delivery, the same challenges exist on every project. Should the GC/CM delivery method require specific monitoring, Mr. Purdy is available throughout the entire project.



Mr. Purdy noted that one of the complexities of GC/CM is the different cost categories and how those play out during construction. He will be working with The Robinson Company and the school district to provide some training and to ensure everyone is working from the same page.

Mr. Warnaca said the organizational chart includes some FTEs dedicated to the project. It appears the GC/CM's participation is approximately 15% or approximately half of what the project management and other consultants are providing. Based on his personal experience, GC/CMs work better when there is an equal contribution of collaboration during the design phase. Mr. Robinson replied that the intent is securing more participation and involvement of the GC/CM as possible. The district is seeking a strong GC/CM with strong pre-construction qualities and experience as it speaks to the value the GC/CM contributes to the project.

Mr. Purdy said the main value of a GC/CM is in the pre-construction services. Negotiation of pre-construction services contract with GC/CM will be consistent with the district's budget to provide as much value as possible.

Mr. Robinson asked Mr. Warnaca's about his experience concerning GC/CM participation. Mr. Warnaca replied that participation can vary and depends on project complexities. Often, GC/CM participation is 50% to 100% of a FTE over the course of the project.

Mr. Benner asked Mr. Taylor why the school district opted to team Mr. Purdy with The Robinson Company as opposed to separate contractual agreements with the school district. Mr. Taylor said that primarily his experience has been as a construction superintendent for approximately 15 years with facility management representing another 15 years. He is relying on the team's strength to provide some guidance in their areas of expertise with his participation augmenting the team. However, he's not as experienced and would rely on the team.

Mr. Purdy shared that his experience in GC/CM over the course of 10 projects as a consultant included working for a project manager independently contracted by the owner, or in some cases, working directly for the owner. His involvement varies dependent on the organizational structure. In either event, the structure has always been successful.

Mr. Robinson emphasized the importance of the owner to have a single point of responsibility, which is The Robinson Company. His job is to deliver the project. If the project calls for involvement of Mr. Purdy, it eases the burden on the owner contractually.

Mr. Palewicz commented on the lack of some members not having public works GC/CM experience. His nervousness for this particular project is the participation of Mr. Purdy throughout the project because GC/CM is a different approach and a different mindset. He is seeking a positive explanation as to how the utilization of Mr. Purdy's expertise will occur throughout the entire project.

Mr. Robinson responded that Mr. Purdy's involvement is from the beginning to the end of the project. Mr. Palewicz asked for some examples of his involvement. Mr. Robinson said he and Mr. Purdy would determine all steps necessary throughout the entire project. His expertise will assist the team. Mr. Purdy will assume the lead for some tasks, such as preparing the advertisement. Mr. Purdy will review all documents. The Robinson Company is providing a commitment to both the school district and to the PRC. Mr. Purdy will provide a level of expertise that will assist the project not only from a formality aspect but also in best practice approaches.

Mr. Purdy added that he would be responsible for preparing the RFP and FRFP, working with The Robinson Company and the district strategically on the project in terms of the evaluation criteria and how it impacts the pool of likely contractors, considering points on the evaluation criteria and its impacts, guiding the team through the entire selection process, conducting interviews, and working with the team on the pre-construction work plan from the contractor to evaluate the plan and provide advice on potential pitfalls. Moving into construction, he would review change orders and consider the risk contingency and what should have been covered in specified general conditions. He's completed those responsibilities on prior GC/CM projects as guidance to the owners.

Mr. Hartung asked to receive a better understanding of how the project was budgeted given the steep slopes and site constraints. Mr. Carter replied that he was able to work closely with a cost estimator during the process of the architects establishing a preliminary budget. The building was budgeted based on a qualitative judgment of the district's desire without considering advanced systems at \$265 per square foot with the addition of \$30 per square foot as a line item for sustainability systems. In total, the budget reflects a square footage cost of \$285 for the building with a higher budget for the site per acre for site design of approximately \$500,000 to include an escalation factor for the entire budget. The budget includes a contingency allowance for GC/CM costs. Mr. Hartung asked whether the budget includes an additional contingency for unforeseen conditions. Mr. Carter noted that the budget includes a project and program contingency. The bond will provide approximately 95% of the construction budget. Additionally, the district has a small works budget.

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

Panel Chair Graybeal invited deliberations by the panel.

Panel Chair Graybeal said the questions during the application process were sort of "softballed" as the normal amount of GC/CM experience was lacking in the application. While negotiated experience is similar, it's not the same as GC/CM. RCW 39.10 includes many requirements that must be completed correctly, as the statute is very prescriptive. The application lacked identification of a project manager for the owner role and that concerns him. Although there is a tremendous amount of experience by the architectural side, that experience tends to approach contracts from a different perspective. Architects are not always working from 39.10 to ensure all bases are covered. However, Mr. Purdy has the experience and fills the gap to manage that portion of the project. The remaining question is how Mr. Purdy engages with the remaining team to deliver that experience.

Mr. Palewicz suggested the application form should prohibit the inclusion of "as needed" as it's often indicative of a red flag. He wasn't comfortable with the answer in terms of Mr. Purdy's involvement although he's very familiar with Mr. Purdy's background. He was hoping the answer included Mr. Purdy's attendance to project meetings each week to discuss issues, attendance to monthly construction meetings, and meeting with the team biweekly to provide status reports. It's that type of involvement for advisors that's necessary for the project. It speaks to the discussion surrounding recertification of Sound Transit's application in terms of the mindset of pursuing alternate public works, as it should be present throughout the entire organization to stay ahead of issues rather than operating in a reactive mode when responding to issues. He is troubled as to how well the team will work together.

Mr. Gimmestad said he has a different stance on the percentage of time in terms what the percentage is based on because at this point, it's unknown how the team will respond or how the pre-construction planning plays out. He questioned whether the team would have a better understanding of the time necessary by Mr. Purdy and the team. He is comfortable to receive information on what the team needs to do, what they are trying to achieve, and how the team plans to coordinate those efforts. Percentages are meaningless other than identifying some time that will be necessary for the project. The GC/CM is important for the third leg of the stool to pull all the different components together in terms of percentage of time allocation. He acknowledged that the personnel involved in the project are able to perform and provide the continuity that is necessary to deliver on a specific percentage of time. Services will be required at specific points of time for successful facilitation of the project. He is comfortable that the team will be successful and supports approval of the application.

Panel Chair Graybeal addressed some of the concerns expressed by Mr. Palewicz. Some of the involvement contributed in project meetings is the GC/CM experience that the design side contributed by bringing the team together to ensure everyone receives input. The challenging part in complying with 39.10 for designers is in public notifications and general conditions as designers are not typically involved, which speaks to the need for other expertise.

Mr. Palewicz pointed out the importance of ensuring expertise is imbedded in the process as part of best practices and how the team is guided.

Mr. Benner said it speaks to contractual reporting as it's often concerning that the person with the expertise is not reporting directly to the owner and is working through a consultant leading to the possibility that the owner may not be

receiving all the information because it's been internalized between the two consultants. However, the project meets the requirements of 39.10 and the team has the talent to complete the project as long as it's a cooperative effort.

Mr. Hartung echoed similar concerns; however, the project meets the criteria, the design architect has the experience necessary, and Mr. Purdy has the necessary experience. The owner lacks the experience. A more affirmative statement from Mr. Robinson would have been warranted concerning Mr. Purdy's involvement to provide a comfort level about his integration within the project. He acknowledged Mr. Purdy's commitment to the panel about his involvement. He also agrees with Mr. Benner in that he's sufficiently comfortable to approve the project. Additionally, the suggestion about the PRC's disapproval of the application halting the project was unfortunate. Many times, the PRC has requested agencies return with more project details spelled out. That has occurred numerous times.

***Rob Warnaca moved, seconded by Curt Gimmestad, to approve the Port Townsend School District Grant Street Elementary School Replacement project for the GC/CM delivery mode. Motion carried unanimously.***

Mr. Robinson thanked the panel and affirmed the team's acknowledgment of the panel's concerns. The team will ensure the concerns are honored throughout the project to include the integration of Mr. Purdy throughout the duration of the project.

The meeting was recessed for a break from 11:20 a.m. to 11:35 a.m.

**Panel Review – City of Spokane – Spokane Falls CSO 26 Control Facility – Heavy Civil GC/CM**

Chair Gimmestad reviewed the presentation format. Panel members included Shasta McKinley, Tim Graybeal, Rob Warnaca, Jonathan Hartung, John Palewicz, and Rick Benner.

Greg Brown, OAC Services, reported his previous position was as the Director of Capital Projects at Spokane Public Schools. After working 30 years in the public sector, he decided to work on the private side. He reviewed the presentation agenda.

Ken Gimpel, Assistant Utilities Director, City of Spokane, introduced the City of Spokane team members for the project. Kyle Twohig is the Director of Engineering Services and has tremendous experience with CSO tank projects. Steve Hansen, Senior Engineer, recently retired from the City of Spokane but is working on the project. The project's GC/CM consultant is OAC Services represented by Greg Brown and Dan Chandler. The City's Assistant City Attorney is also providing assistance in addition to Graehm Wallace, Perkins Coie. The lead design team is AECOM represented by Bob Ward, Principal-in-Charge and Alex Sylvain, Design Lead.

The project is the City's third alternative delivery project. The next level of treatment in the wastewater treatment plant was also a GC/CM project approved by the PRC. The Nelson Service Center was a D-B project.

Mr. Twohig explained that CSO is an acronym for Combined Sewer Overflow. Approximately two-thirds of the City is built on a CSO system. The City's sanitary sewer system is connected to the stormwater system. As stormwater enters the sewer system it travels to the plant for treatment prior to discharge to the river and waterways. During most days of the year, the system runs efficiently except during large rain events. Large rain events introduce a massive amount of stormwater into the combined system overtaking both the plant and the pipe system creating overflows throughout the City and causing an overflow of combined storm and sewer water into the river and waterways. Many years ago, the City studied the potential of separating the storm system and identified that if detention tanks (CSO facilities) were constructed throughout the City, the plant could handle large storm events. Today, a number of SCO facilities exist throughout the City. Unfortunately, CSO facilities continue to overflow on a frequent basis during major rain events. The City is working to align with its integrated plan approved by the Department of Ecology to experience less than one overflow event per year per outlet requiring additional storage within the system to avoid penalties. As the tanks function, they become large detention facilities storing peak surges of combined water until the storm passes and then metered to the treatment plant working in concert with the treatment process to avoid treating stormwater at the higher level of treatment required for sewer waste prior to discharging to the Spokane River.

The project location is challenging within a built urban environment that essentially entails burying half of a football field downtown. On December 7, the City experienced a major storm of over 1.88 inches in a 36-hour period, which is much higher than the storm system design. All tanks constructed to date functioned properly during the storm event as intended keeping 4.2 million gallons of combined storm and sewer water out of the river. However, the system overflowed another 10 million gallons. The proposed tank is a critical element in completing the stormwater infrastructure to contain overflows in the downtown area.

The large underground tank would store up to two million gallons of storm and sewer water. The City evaluated over 15 sites during a 10-year period with each site having specific challenges. This site is the most complicated within the system. The City has completed several other CSO facilities by D-B-B on sites that were not as complex and the process worked effectively. However, this particular site has a level of complexity that the City has not previously encountered and constructability will be challenging. The site is located next to the Spokane River, City Hall, commercial businesses, the main branch of the public library, hydro-electric dam headworks, and major arterials. Work would be completed while keeping neighboring facilities operational.

Constructability challenges are why the contractor's involvement is so important. The facility is a technically complex design located on a complex construction site with very limited space. Mr. Twohig displayed an elevation view of the project site. The tank will be placed within the hillside beneath an arterial that will daylight into the river gorge. Aesthetics of the facility as it faces the river gorge is important to the community. The proposed project creates active public space on the surface of the tank for the City of Spokane to include some educational features about the river, management of stormwater, and ways the City is maintaining a clean river while creating a public plaza to mirror City Hall Plaza located on the north side of City Hall across from the Riverfront Park. The rendering reflects the type of public amenities the project will provide to the community.

Mr. Hansen described the preliminary design concept. The conveyance system includes the interceptor line connecting to the treatment plant and an overflow line that drains to the river. Approximately 9 million gallons per day run through the system for dry weather flows. The interceptor can handle 31.5 million gallons per day. Spokane's large storm events often exceed 100 million gallons a day, which is why it's so important to accommodate overflow. The major part of the project is the concrete tank nearly the size of a football field. During storm events, the tank fills and at the end of the storm event, the system pumps the flow into the interceptor readying the system for the next storm.

Complexities associated with the project include slope contours of 1:1 slope towards the river dropping nearly 140 feet to the toe of the slope. The existing overflow line must remain active during the project and high voltage underground lines are located on the eastside of the tank. All those factors must be considered. Having the GC/CM on board early will assist in addressing those issues.

The tank top at street level to the bottom of the tank is approximately 45 feet. The tank includes a dry pump chamber and a liquid level. A second floor is planned over a portion of the tank for mechanical and electrical facilities to manage the operation of the tank.

Mr. Gimpel reviewed the management of the Spokane Public Works. His experience in alternative delivery was on the Nelson Service Center project of a 57,000 square foot combined facility for fleet maintenance and solid waste collection. He joined the project after completion of the design. He worked as the City's project manager for the project through its completion until the certificate of occupancy was received. Working with him was a representative from OAC. Both attended weekly construction meetings on the project site, as well as reviewing each payout and invoice from the contractor. The project was completed on schedule and within budget. Numerous enhancements were possible because of the consultation process and trade-offs. The use of compressed natural gas in the facility required some modifications that were negotiated on a weekly basis with the general contractor and the D-B team. The project team established a good relationship and created a great team effort on the project.

Mr. Twohig said his 12 years of experience in construction management spans both the private and public sectors. He's managed over \$180 million in capital projects for the City of Spokane. He is the lead for the project and would have the primary relationship with the GC/M.

Mr. Hansen said he is the project manager for the CSO 26 project. He has 15 years of experience with the City of Spokane as a Senior Engineer. Thirteen of those years were as a Lead Design Engineer. He has an extensive background in the CSO Program having partially designed 5 facilities and completed three of the facilities, as well as performing design oversight for a number of projects, including five of the City's bridges. He is also now a project manager as a consultant for the City of Spokane.

Robert Ward said he is the Principal with AECOM. AECOM has worked with the City of Spokane for 16 years on CSO program planning and design, as well as completing 9 GC/CM projects over the last 10 years meeting the requirements of the RCWs. He's has worked on the CSO Program for the last seven years and completed several alternative delivery projects and heavy civil projects. One of the important lessons is the value of having the contractor on board to secure the knowledge, as well as having the assistance of OAC Services, which understand the process. Greta Gilman has 25 years of project management and would be the project manager for this project. She is based in Spokane and has worked on infrastructure projects. Alex Sylvain is the design lead for the project and has spent the last five years of his 12-year career working on the Spokane CSO program. Both individuals would be dedicated nearly full-time to the project.

Mr. Brown said the project would be his 12th GC/CM project. His office is located one block from the project site. He plans on being intimately involved in the project attending weekly meetings and assisting with all aspects that make GC/CM unique to standard D-B-B. His level of involvement is similar to the next level of treatment project underway with the City of Spokane. The project is in mid-design and the contractor has been selected. Subcontracting packages are being developed for early procurement and OAC Services has been involved in all the conversations. OAC| Services is contracted with the City to begin and conclude the projects.

Dan Chandler said his role is to provide the expertise that OAC Services provides. The project would be his 42nd GC/CM project and third heavy civil project.

Mr. Twohig reviewed the project schedule. Pending approval of the project, the City would like to release the solicitation in early February and contract by April to complete design by December with the project commencing in early 2017. The project should be completed by the end of 2018. The budget is over the RCW \$10 million threshold. The project is fully funded by a green bond initiative by the City of Spokane last year. The budget is \$32 million for the project and includes the contingencies for the RCW.

Mr. Brown reported the team believes the project meets the RCW requirements in several ways to include complex scheduling, phasing, and coordination on an occupied site, which will continue to operate during construction. The involvement of the general contractor early on is critical to the project's success. The project encompasses complex and a technical work environment. The project also meets the requirements for Heavy Civil GC/CM.

Mr. Twohig said the Spokane Falls CSO 26 Control Facility project is ideal for GC/CM and meets the statute requirements per RCW 391.10. The City has assembled a specific team for the project involving the City, AECOM, and OAC Services. The City believes the core team can deliver a successful project. OAC Services has demonstrated that it has the skills and abilities of the GC/CM process to help the City complete a successful project. The City has the resources and the controls in place to successfully deliver the project. He asked for the PRC's approval for alternative delivery for the project.

Panel Chair Gimmestad invited the panel's questions.

Mr. Benner said he's confused about AECOM and the earlier submittal on information of the project team versus the response to the questions about GC/CM experience. He asked how many members of the team have GC/CM experience.

Mr. Ward replied that no one on the team has GC/CM experience; however, AECOM's experience includes staff from the Seattle office.

Mr. Chandler added that from the City's side with OAC Services, the company provides the GC/CM experience. AECOM is embracing the team build that is GC/CM delivery. OAC Services has the expertise to manage procurement and assist the City in the management of the contractor, buyout packages, and dealing with the Heavy Civil GC/CM. AECOM is offering willingness and an embracing of the team build. The expertise is not necessary in terms of the satisfying the statute as OAC Services provides the necessary expertise.

Mr. Brown pointed out that approximately six months ago the City applied to the PRC on a project that included CH2M as the design consultant for the City. The CH2M team did not have Washington GC/CM experience, but rather the team had Oregon CM/GC experience. The project has been successful.

Mr. Warnaca asked the team to elaborate on the decision-making process because of the multiple parties involved. It's important to establish a clear line of decision-making for pre-construction through construction. Part of recipe for successful projects is having clear authority making decisions. Mr. Twohig advised that Mr. Hansen would serve as the decision-maker working collaboratively with the design team and the GC/CM. All high level decisions will come directly to Mr. Twohig as the lead on the project.

Mr. Gimmestad expressed appreciation for clarification of what a CSO entails in terms of heavy civil and the complexities associated with the project. He asked what the team foresees in terms of challenges and how heavy civil solves the self-perform opportunity. Mr. Chandler said there have been many discussions about heavy civil and he believes the flexibility of heavy civil to negotiate self-perform is to the City's interest and the taxpayers and ratepayers. How much work is self-performed is similar to the discussions occurring for the Point Defiance and Oak Harbor wastewater treatment plant projects. For this particular project, early excavation is important as the ground under the street could include burned timbers or car bodies. That represents risk to the City. Trying to lump sum bid that unknown could create problems for the project. That task could be appropriate to negotiate self-perform. If the contractor has an outstanding crew and can demonstrate that it's in the best interest for the City, it might be another opportunity. The work is a critical path and located in the middle of the street. There is no expectation that the GC/CM will self-perform or not self-perform. The goal is securing the best contractor. The approach will be part of the procurement.

Mr. Gimpel said the location of the project, although challenging, is behind City Hall. The Mayor and other policymakers will have good oversight of the project.

Mr. Palewicz asked for an explanation of the percentages for self-performing if the procurement includes no requirements for self-performing. Mr. Chandler said that to date, heavy civil GC/CM contracts are treated no differently. If the contractor bids 3% to 4% and the negotiation includes a self-perform package under a cost reimbursement basis that would include their fee. If it were definable and biddable, then it would be similar to regular GC/CM. The intent is to ensure a fair outcome for everyone. It's possible that a heavy civil GC/CM would not do any self-perform, although unlikely, as there are blurry lines between negotiated self-perform work and NSS.

Ms. McKinley asked whether the project schedule includes consideration for any deviation because of unforeseen conditions or complications with the permits. Mr. Brown replied that the City believes the schedule is adequate but is hopeful that once the GC/CM is contracted, some suggestions could be offered to shorten the schedule to avoid completing the project in the November-December timeframe because of the location and the holiday season. Mr. Twohig said the City has constructed several other CSO facilities. The City has experienced some great innovation from contractors for completing the tanks earlier than scheduled. The schedule is sufficient and the team believes the schedule could be shortened.

Mr. Chandler noted that the possibility of archeological finds was the first negotiated self-performed package at the Oak Harbor Wastewater Treatment Plant. Rather than developing the bid package for GC/CM delivery, the project proceeded slow and had the time off the critical path.

Panel Chair Gimmestad invited public comments. There were no public comments. He invited the panel's deliberations.

Mr. Hartung remarked that the project clearly qualifies and use of the Heavy Civil GC/CM affords the flexibility to achieve the schedule, as there are many off-site constraints. The schedule appears to be tight and the budget is somewhat low; however the team is excellent and the presentation was great.

Mr. Benner advised that he's passing on supporting the application primarily because of AECOM's knowledge base of GC/CM, particularly the project manager who has no experience. He had anticipated learning that team members would attend training to gain some experience. He's appreciative of the willingness to participate in a team effort but because of the complexities of the GC/CM, he is somewhat nervous that the experience piece is lacking on the design side.

Mr. Gimmestad acknowledged the concerns about the experience. The PRC has often discussed that for design teams it is not business as usual when it comes to GC/CM. There are definite complexities associated with the project; however, he trusts that OAC Services will assist in completing the iterations that are needed for creating the documents to initiate some work earlier. Sometimes design may stop or the focus may change in order to initiate the work.

Mr. Warnaca said the project qualifies for Heavy Civil GC/CM. The City of Spokane has assembled a qualified team. He questioned whether the City would receive the full value of a Heavy Civil GC/CM self-perform work because the comments are reflective that there would be an opportunity for the GC/CM to bid a fee on the self-perform work. With that type of work, there is a higher level of risk. However, the business case is solid and the team is offering the GC/CM an opportunity to bid equal to the level of risk assumed in self-performing work. He's also not certain that the market is present to react to that situation. The GC/CM may elect to competitively bid the work in which case the City would have a general contractor performing the self-performing work. The market will respond to that business decision. He supports approval of the project for Heavy Civil GC/CM.

Mr. Graybeal suggested there could be something to be gained from the design side by entering the conversation with some previous experience on how to collaborate. However, there is no statutory requirement that would limit moving forward with the team as structured. The right people are in place to meet the statutory requirements. He encouraged the team to take additional steps to work to integrate the team together to benefit from collaboration. He supports approval of the project.

Mr. Palewicz expressed support for the project. The use of Heavy Civil and self-performing work is a larger discussion. There will always be that issue where not all members are necessarily experienced with the GC/CM delivery method. The PRC's concern is that the initiation is well thought and results in a successful project.

*Tim Graybeal moved, seconded by Rob Warnaca, to approve City of Spokane – Spokane Falls CSO 26 Control Facility – Heavy Civil GC/CM application. Motion carried. Rick Benner opposed.*

#### **Adjournment**

**With there being no further business, Chair Gimmestad adjourned the meeting at 12:17 p.m.**