



SCHOOL BOARD ACTION REPORT

DATE: March 6, 2020
FROM: Denise Juneau, Superintendent
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For Introduction: April 29, 2020
For Action: May 13, 2020

1. TITLE

BEX V: Award Contract P1721 for Construction Project Management Services to CBRE | Heery for the Lincoln High School Phase 2 project.

2. PURPOSE

The purpose of this action is to provide authorization for the Superintendent to enter into a construction project management contract in the amount of \$1,399,056, including reimbursable expenses, for the Lincoln High School Phase 2 project.

3. RECOMMENDED MOTION

I move that the School Board authorize the Superintendent to execute contract P1721 for Construction Project Management Services with CBRE | Heery in the amount of \$1,399,056, including reimbursable expenses, with any minor additions, deletions and modifications deemed necessary by the Superintendent to implement the contract.

4. BACKGROUND INFORMATION

a. Background

On Feb. 12, 2019, voters approved the \$1.4 billion, Building Excellence V (BEX V) Capital Levy, which will support Seattle Public Schools' long-range plans to upgrade and renovate aging school facilities and address enrollment growth.

This BEX V Construction Project Management Contract P1721 with CBRE | Heery covers seismic improvements to the 1959 eastern buildings not renovated in the prior phase, theater improvements as well as Career & Technical Education and Gymnasium improvements. Under contract, CBRE | Heery will provide construction project management services from conceptual design through construction and closeout of the project.

The overall project budget is \$28,968,384 and the estimated construction cost is \$20,900,000.

Anticipated project schedule milestones:

- Architectural / Engineering Selection: April – June 2020
- GC / CM Selection: May – July 2020

- Construction: July 2021 – August 2022
- Move-In / Closeout: July 2022 – December 2022

The following are some key reasons and benefits for using a Construction Project Management (CPM) firm for this BEX V project:

- One of the primary drivers for engaging contract CPM services is to accommodate the fast track and complex scheduling of the BEX V projects that are needed to accommodate the district's student enrollment growth.
- A significant benefit of retaining contract seasoned CPM firms is that they bring a series of specialized skills, such as cost estimating, schedule management, claims management, familiarity with local building codes and processes, community presentation capability, and design facilitation that employee project management staff normally do not possess.
- If the temporary need for staff augmentation was addressed by hiring additional internal staff, it is likely that it would take several months to hire them, and they would need to be laid off in two to three years as workloads decline. Hiring and laying off in such short succession can be disruptive to the department and is not likely to result in the best candidates.
- The district has demonstrated a history of success, from the Capital Improvement Program (CIP) in the 1980s and '90s through four BEX programs using qualified Construction Project Management firms to supplement in-house project management staff.
- The best practice is for school districts to use outside CPM services for large programs and complex projects. This is done by Spokane, Tacoma, Lake Washington and Bellevue school districts.
- Financial program management and the smaller and/or less complex BEX and BTA projects will be managed by in-house staff.

The district publicly advertised for services in June 2019. Six firms submitted proposals. The district review panel interviewed three firms and selected CBRE | Heery as the most qualified firm for the BEX V Lincoln High School Phase 2 project.

For the Lincoln High School Phase 2 project, the district selected CBRE | Heery based on specific criteria to best meet its needs, including: demonstrated performance on similar projects; K-12 school construction project management experience; deep understanding of educational issues, education specifications, pedagogies and teaching practices; communication skills; General Constructor / Construction Management (GC/CM) experience; Alternative Public Works construction delivery method experience; successful construction project management and delivery record; relevant certifications and education; knowledge of city code requirements; familiarity with Washington State Environmental Policy Act (SEPA); and, the willingness to accept the district's standard terms and conditions. The district included cost as a criterion in selecting its Construction Project Management firms and negotiated the contract terms and price, to receive the best value for the provided services.

b. Alternatives

Deny Motion. If motion is denied, the district will not be able to execute the construction management contract to start the design of the Lincoln High School Phase 2 project. This is not recommended because it would negatively impact the district’s commitment to provide equitable access in our schools.

c. Research

The Construction Project Management firm will employ the following resources when planning this project:

- SPS BEX V Master Plan, February 2019
- SPS Technical Building Standards, December 2012
- SPS Educational Specifications, January 2012
- SPS School Design Advisory Team Process Guide documents
- Facilities Condition Assessment, 2014
- Seattle Building Code

5. FISCAL IMPACT/REVENUE SOURCE

The fiscal impact to this motion will be \$1,399,056. The revenue source for this motion is from the BEX V Capital Levy. The total project budget, of which the construction project management contract is one part, is \$28,968,384.

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Expenditure: One-time Annual Multi-Year N/A

Revenue: One-time Annual Multi-Year N/A

6. COMMUNITY ENGAGEMENT

With guidance from the district’s Community Engagement tool, this action was determined to merit the following tier of community engagement:

Not applicable

Tier 1: Inform

Tier 2: Consult/Involve

Tier 3: Collaborate

Upon board approval, planning and design will begin, including engagement with a site-specific School Design Advisory Team (SDAT) that will include representation from neighborhood councils.

7. EQUITY ANALYSIS

The district’s Racial Equity Analysis toolkit was utilized to guide the planning process for the BEX V Capital Levy, influencing community engagement methods, preparation of the 2018 update to the Facilities Master Plan, and ultimately the final proposed levy package. The board’s guiding principles stated that racial and educational equity should be an overarching principle for the BEX V Capital Levy planning in accordance with Board Policy 0030, Ensuring Educational and Racial Equity. Projects identified for inclusion in the BEX V levy will improve conditions for all students in the selected schools. Improved building conditions create a better environment for learning and can provide facilities to better position students for academic success.

8. STUDENT BENEFIT

It is the goal of the district to continue the process of implementing the BTA and BEX Capital Levy programs and provide students with safe and secure school buildings.

9. WHY BOARD ACTION IS NECESSARY

- Amount of contract initial value or contract amendment exceeds \$250,000 (Policy No. 6220)
- Amount of grant exceeds \$250,000 in a single fiscal year (Policy No. 6114)
- Adopting, amending, or repealing a Board policy
- Formally accepting the completion of a public works project and closing out the contract
- Legal requirement for the School Board to take action on this matter
- Board Policy No. _____, [TITLE], provides the Board shall approve this item
- Other: _____

10. POLICY IMPLICATION

Per Board Policy No. 6220, Procurement, any contract over \$250,000 must be brought before the Board for approval.

11. BOARD COMMITTEE RECOMMENDATION

This motion was discussed at the Operations Committee meeting on April 8, 2020. The Committee reviewed the motion and moved the item forward with a recommendation for approval by the full board.

12. TIMELINE FOR IMPLEMENTATION

Anticipated Notice to Proceed Date:	July 2020
Anticipated Construction Date:	July 2021
Substantial Completion Date:	August 2022

13. ATTACHMENTS

- CBRE | Heery Proposal Construction Management Services (available upon request in the Capital Projects & Planning Department)