

## WSSC Expansion Committee Meeting Working Notes March 24, 2015

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Committee Member Attendees: Chair Frank Finneran, Craig Schafer, Jerry Hillis, and Deryl Brown-Archie (by phone).

Other Attendees: Jeff Blosser, Linda Willanger, Ed Barnes, Chip Firth, Daniel Johnson, Matt Hendricks, Gary Fluhrer, Becky Bogard (by phone), Matt Rosauer, Jason Foley, and Matt Griffin.

Finneran called the meeting to order at 10:00 a.m. The Committee members unanimously approved the minutes from the following committee meetings, with Brown-Archie abstaining from the first four approvals, where meetings preceded her Committee assignment:

- 2014-09-10
- 2014-09-23
- 2014-10-31
- 2014-11-26
- 2015-01-27

Finneran then turned over the meeting to Pine Street Group (PSG) for a review of the WSSC Addition following the sequence of PSG's most recent monthly report to the committee members.

### **General**

Griffin explained that the current focus was on completing contracts, progressing on entitlements, and gaining control of the land.

### **Schedule**

The critical path to start of construction hasn't changed. Griffin updated the Committee on the status of the negotiation to gain control of each piece of property. For the discussion about negotiations with King County (KC), Finneran placed the meeting in executive session to consider the acquisition of real estate for 20 minutes. The Executive Session included only the committee members, WSSC President, lawyers, and PSG team. The meeting reconvened after 20 minutes, the other attendees returned to the meeting.

Griffin explained the potential paths for the entitlements and some of the questions needing resolution with the City.

### **Financing Plan (Budget and Sources)**

For the Project Budget of \$1.4 B, Griffin reported that PSG had no changes to the budget. The first major test will come with the pricing of the conceptual drawings. The trends on taxes and rates continue to hold favorably. Griffin reported on the steps with the Department of Commerce (DOC), headed by Gerry Johnson. DOC will break its review

into two parts – review of the KC installment sale (estimated to take 3-4 months) and the larger review of the bond issuance for the entire project (estimated to take 6-8 months). WSCC is still pursuing a deferral of the Washington State portion of the Washington State Sales Tax.

### **Quality**

Rosauer briefed the Committee on the progress of the conceptual design, with the most important piece, bringing more natural light to the interior. He also explained the steps in hiring the GC/CM, which will provide better pricing information.

### **Contracts**

Rosauer and Foley briefed the Committee on the key elements of the “Additional Facility Architectural/Engineering Services Contract” with LMN Architects. Foster Pepper represented WSCC in negotiating this contract. The contract is time and material with not to exceed amount. The not to exceed amount will be established as the conceptual design is approved. For engineering assistance, LMN has recommended MKA and ARUP. Others will be added to the team. The Committee voted unanimously to recommend approval of the LMN contract by the board.

For discussion of the “Additional Facility Project Management Services Contract” with PSG, Rosauer, Foley, and Griffin left the meeting. Foster Pepper represented WSCC in negotiating this contract. The contract includes reimbursement for costs including personnel, but the fee is only earned in pieces if certain milestones are reached. The Committee voted unanimously to recommend approval of the contract by the board.

The PSG team returned to the meeting, and the Committee discussed the “Amendments to WSCC Operating Procedures for Procurement of Services and Goods.” The Committee voted unanimously to recommend approval of the changes by the board.

PSG explained its steps to advertise broadly for consultants to help with the project. Rosauer reported on the special efforts explained to the Outreach Committee earlier in the day to reach MWBE firms.

The meeting was adjourned at 11:55 a.m.