

WSCC Addition Committee Meeting
Minutes
November 27, 2018
10:30 a.m.
WSCC Room 208

WSCC Board Attendance:

Frank Finneran, Chair - WSCC Board Addition Committee
Deryl Brown-Archie, WSCC Board Addition Committee
Nicole Grant, WSCC Board Addition Committee
Jerry Hillis, WSCC Board Addition Committee
Craig Schafer, WSCC Board Addition Committee

WSCC Board Absent:

Bob Flowers, WSCC Board Addition Committee

WSCC Staff / Consultants in Attendance:

Jeff Blosser, WSCC President / CEO
Linda Willanger, WSCC VP Administration
Michael McQuade, WSCC Director of Sales
Krista Daniel, WSCC Director of Event Service
Paul Smith, WSCC Information Systems Director
Daniel Johnson, WSCC Administrative Services Manager
Michael Murphy, WSCC Project Coordinator
Matt Hendricks, General Counsel
Fred Eoff, Public Financial Management
Matt Griffin, Pine Street Group
Matt Rosauer, Pine Street Group
Arnetta Libby, Pine Street Group
Jane Lewis, Pine Street Group
Jason Foley, Pine Street Group
Kyle Acheson, Pine Street Group
Chris Raftery, Raftery CRE
Gary Smith, Clark | Lewis
Margery Aronson, Art Consultant

Guests in attendance:

Brian Crawford, Lakeside School
Erik Christensen, Lakeside School
Mark Kranwinkle, Lakeside School
Monica Gu, Lakeside School
Rob Sjoberg, Lakeside School

Chairman Finneran called the meeting to order at 10:30 a.m. After the unanimous approval of the consent agenda, he turned the meeting over to PSG for the project review. Griffin said that the priorities (from the Risk List) were negotiating an acceptable MACC (Maximum Allowable Construction Contract), finishing the WSDOT lease, and selling the co-development opportunities.

On the construction schedule, Rosauer said the work was behind by a couple months due to issues with the shoring and the City's abbreviated hours for utility work in the streets. While the team won't know for sure until spring how much of that time is recoverable, the team will decide in January and expects it to be 1-2 months. Griffin said the lease with WSDOT is in acceptable form for signature, but we're waiting for their appraiser's comments. The TDR agreements are complete.

On budget/finance, the open issues are completing the MACC and prices for selling the two co-development opportunities. Rosauer explained that the MACC has been delayed by re-pricing of the concrete and drywall, which may need to be adjusted into different size packages. The miscellaneous metals may also need to be split up to fit the available fabricators. Finneran reminded everyone that we could have a \$100 million problem.

On sale of the co-developments, Libby said the office opportunity is farther along than the residential, with bidding being strong. Eastdil expects round two of offers about 12/11/18. The residential is not as far along in the process. While the data on ratio of jobs to housing units keeps increasing, residential rent increases have plateaued as the market digests a wave of supply.

PSG will adjust the budget in January for these items.

On quality, Matt R explained that the exterior material colors should be completed in the next month. LMN and C-L are further researching costs and availability of materials for a decision on the other interior finishes in the first quarter.

Lewis said we now know the specific companies that will satisfy our WMBE goal of \$80 MM. She and Griffin both explained the extra effort that is going into the seeking apprentices. The Board members suggested several other areas to pursue.

On the Art program, Lewis reported that the art advisors had held several meetings and several of the artists have been chosen and asked to propose more specific concepts. Members of the Board Art Committee had been very involved and have made time to join those meetings.

Griffin reported that the contracts are in good shape, other than the WSDOT lease and completing MACC.

Lewis and Griffin are working with the City's Office of Housing on its awards planned for December. Of the \$90 MM expected, about \$34.3 MM will come from the WSCC and it deserves appropriate credit.

Having no further business, the meeting was adjourned at 11:15 a.m.