



BEX /BTA Oversight Committee

March 8, 2024, 2023, 8:30 – 10:30 AM

JSCEE Board Auditorium

Minutes

1. Call to Order

- a. Janet Donelson called the meeting to order at 8:31 a.m.
- b. Roll call:
 - i. Committee members present: Janet Donelson, Duncan Griffin, Steve Tatge, Lavina Sadhwani, Jennifer DuHamel, Warren Johnson, Monty Anderson, Michelle Moore, Sherry Edquid
 - ii. Committee members absent: Luis Adan, Robynne Thaxton
 - iii. Capital Projects Staff present: Richard Best, Vince Gonzales, Tom Gut, Becky Asencio, Mike Skutack, Jen Lincoln,
- c. The meeting agenda: Mr. Best clarified that Capital Finance Manager Melissa Coan was not available and that he would deliver the budget report. Duncan Griffin made a motion to approve the agenda with that change. Steve Tatge seconded. The motion passed unanimously.
- d. The minutes from February 9, 2024: Warren Johnson made a motion to approve the minutes. Lavina Sadhwani seconded. The motion passed unanimously.

2. Board Member Update

Mr. Best updated the committee on the status of School Board's appointments of two new directors for districts two and four. He conveyed that new director assignments to the committee were not expected for the next few months.

3. Budget Update BEX V and BTA V Capital Levies

Mr. Best reported on the BEX V Capital Levy Program through January 31, 2024. He highlighted that the first wave of projects were in the close-out process but that outstanding expenditures continued to trickle in. He conveyed that all the expenditures were as anticipated.

Ms. Donelson inquired about the status of the Program Underspend/ Contingency Fund. Mr. Best clarified that while the fund was currently drained, staff were submitting documentation for reimbursements through the Inflation Reduction Act (IRA) on eligible completed projects with significant new revenue anticipated.

Mr. Best reported on the BTA V Capital Levy Program through January 31, 2024. He confirmed that all expenditures were as anticipated. He clarified that work in the Major Projects was primarily in design phases as well as consultant fees for the Memorial Stadium project.

Duncan Griffin requested additional details about the budgeted energy improvements. Ms. Asencio clarified that this was a general allowance to fund the work of identifying the measures to pursue as well as fund the initial work, which would continue in the BEX VI Capital Levy Program. Staff confirmed that the IRA funds return to Capital Projects.

Mr. Tatge inquired about the budget increase in the program. Mr. Best noted that the budget increase was due to multiple factors, including planned contingency funds from other BEX/BTA capital levy programs, increases in inflation rates, and unanticipated budget transfers. He confirmed that staff will probe the budget transfers for lessons learned. Ms. Donelson commented that inflation rates were historically absorbed by underspend available in older levy programs. She requested a report on the status of the funds in those programs. Mr. Best asked the committee members for their guidance concerning the escalation rate the district should utilize for the BEX VI capital levy program.

Mr. Best concluded the report to celebrate that the Office of the Superintendent of Public Instruction (OSPI) was significantly increasing funds available through the School Construction Assistance Program (SCAP) for the first time in 50 years.

4. Project Status Reports Update

Mr. Best and Senior Project Managers Vince Gonzales and Mike Skutack provided an update on the progress of the Major Projects.

The committee and staff discussed the Alki Elementary School Project. Mr. Gonzales conveyed that an appeal was filed on the project and outlined the next steps that lead to a hearing in four or five weeks. Mr. Best clarified that, depending on the timing of the hearing, the project was now facing an 11-month delay. Mr. Johnson and Ms. Donelson suggested rebidding the project for fresh bids from subcontractors, which might also reduce costs.

Ms. Donelson inquired about the status of conversations with the City of Seattle on potential revisions to land use code requirements. Mr. Best confirmed that he is collaborating with a new contact at the City to address land use code revisions that should better support school projects.

Ms. Edquid inquired about how the district was communicating with the Alki community about the project delays. Mr. Gonzales conveyed that it had been primarily through the West Seattle Blog but that a more formal narrative would also be beneficial.

The committee and staff discussed challenges at the John Rogers Elementary School project related to SPU storm water draining onto the project site from a broken drainpipe. Mr. Best clarified that the pipe was not identified in the pre-design process and was not draining onto

the property during the design phase. Mr. Gonzales reported that SPS was working with Seattle Public Utilities to craft an approved design and corresponding budget to implement repairs. He confirmed that since it is located on SPS property the district is expected to maintain the structure. He conveyed that this new development set the schedule back 12 days and would also affect the layout of the construction site.

The committee and staff discussed the Rainier Beach High School project. Mr. Best conveyed that there were some concerns about the project schedule related to weather delays, but that Lydig was cooperating with the district to resolve these concerns. Mr. Anderson shared with the committee appreciation and praise that the project and the Capital Projects team were receiving from other organizations such as Sound Transit and the Mayor's Office.

The committee and staff discussed the Aki Kurose Middle School project. Mr. Gonzales conveyed that the community participation process had been shifted to a slower pace with smaller meetings and broader outreach, which has resulted in more robust participation of members for the School Design Advisory Team (SDAT).

Mr. Gonzales updated the committee on cooperation between the Asa Mercer International Middle School project team and the Veterans Administration Hospital, related to the VA fiberoptic line that crosses the SPS property. He highlighted that Lumen made significant progress with Seattle Department of Transportation (SDOT) and right-of-way work was anticipated Summer 2024. He clarified that while there were impacts to the cost and design of the improvements, the overall schedule remains as planned.

5. Student Enrollment Projections

Mr. Best introduced K-12 Planning Manager Becky Asencio and described the relationship between Capital Planning and Enrollment Planning. Ms. Asencio introduced Dr. Les Kendrick, a statistician and demographer, who is supporting SPS with enrollment data and demographic trends for identifying and planning the district's future facility needs. Dr. Kendrick delivered a presentation to the committee outlining post-covid trends starting at the broader regional level, then narrowing focus to the district level. He described trends in population, housing, birth rates, and migration in and out of the district. He concluded his presentation with forecasts to inform district planning.

Ms. Edquid highlighted that urban housing density is rising. Dr. Kendrick agreed and noted that the influence of that new density will depend on whether it attracts families with children, such as apartments with two or more bedrooms.

Mr. Griffin highlighted that Washington is a refugee-receiving state and asked if that was included as a factor in the calculations. Dr. Kendrick clarified that while refugee families were a source of growth in the past, gentrification of the city prompted families to move out of the city and into locations where their communities were already established.

Ms. DuHamel referred to similar trends predicted in higher education enrollment and asked about larger demographic trends related to birth rates. Dr. Kendrick clarified that while the trends show increases in women of childbearing age the fertility rates are lower in Seattle and higher in outlying counties such as Pierce and Snohomish.

Ms. Sadhwani asked about the relationship between lower enrollment and the development of the BEX VI capital levy program, in terms concerning the work the district would be performing on its buildings and future uses of those buildings. Mr. Best confirmed that the decrease in enrollment will affect the BEX VI capital levy program. He conveyed that analysis and discussions were in progress within the Well-Resourced School initiative to decide the future of its buildings and that information would be available mid-May 2024.

Mr. Tatge acknowledged that this was a significant topic and inquired about next steps in this work. Ms. Asencio explained that the Capital Planning team is incorporating Dr. Kendrick's data within their work in both the development of BEX VI capital levy and the Well-Resourced Schools work. She noted that future committee meetings would include topics related to those bodies of work.

6. Adjourn

Ms. Donelson adjourned the meeting at 10:33 a.m.