

**2003 INNOVATIONS AWARDS PROGRAM  
Application Form**

1. Program Name: **Washington's Tri-Phase Initiative**
2. Administering Agency: **Department of General Administration**
3. Contact Person (Name & Title): **Bob Mackenzie, Manager, Plant Operations Support Consortium**
4. Address: **Department of General Administration, Division of Engineering & Architectural Services, P.O. Box 41012, Olympia, WA 98504-1012**
5. Telephone Number: **360-902-7257**
6. FAX Number: **360-753-2848**
7. E-mail Address: **bmacken@ga.wa.gov**
8. **Please provide a two-sentence description of the program.** Washington's Tri-Phase Initiative brings professional state facilities expertise and resources to K-12 school facility projects. State architects, engineers, project managers and facility planners provide condition assessment, project cost estimates, capital planning, project management and public works training to Washington's 297 school districts, all at significant savings.
9. **How long has this program been operational (month and year)?** The ongoing program began in January 2002.
10. **Why was the program created? (What problem[s] or issue[s] was it designed to address?)**

Washington's K-12 school facilities are deteriorating through lack of funding and, more importantly, lack of facility expertise in the schools.

Each of 297 K-12 districts is a distinct and autonomous political jurisdiction. Thirty-six districts have fewer than 100 students - 59 fewer than 200. Most have no facility professionals or public works expertise. Many district personnel are unaware of emerging facility issues until they become major, costly problems. Many educators have never done a facility condition assessment. Many are unaware of prevailing wages, the Federal Davis-Bacon Act, competitive bidding or women's and minority business goals. Facility knowledge is often vested in a single maintenance custodian. Planning is limited to nice-to-have remodels with little thought to major building systems. Rural districts seldom have architects or engineers on-staff, few contractors from which to choose, and must add significant travel premiums to their project cost projections. Meanwhile, significant expertise in all public works venues exists at the

state level, in the Department of General Administration (GA). The state Superintendent of Public Instruction and GA have never partnered for the purpose of enhancing public works and facilities administration at the small and medium school district level. There was no template and no precedent for such a joint effort.

The Tri-Phase Initiative levels the playing field for school staff vis-a-vis consultants and contractors. It brings professional architects, engineers and project managers from GA to schools to evaluate facility conditions; identify, prioritize and cost projects; and to fix immediate needs in a cost-effective and efficient manner. GA adds state small works rosters, on-call architects and engineers, public works contracting professionals and proven cost estimators. GA training educates districts on complex and confusing public works laws. Districts get greatly increased competition, state contract protections and professional project managers.

To provide professional facility expertise, the Superintendent of Public Instruction asked GA to assist schools with building condition evaluation, project development, cost estimating and grant application writing. The initial goal was to help small school districts identify, prioritize and estimate project costs for emergency grant funding. That goal expanded to include public works training, professional project management and increasing competition in public works for our schools.

#### **11. Describe the specific activities and operations of the program in chronological order.**

Washington State's Tri-Phase Initiative has three distinct phases:

The first phase of the initiative brings the state's building experts into rural schools to properly assess the condition of school facilities and their systems and identify emergency projects to correct the worst deficiencies. A General Administration (GA) team (architect, engineer and facility planner) visited 22 primarily rural Washington school districts to prepare a building condition evaluation. GA identified and prioritized emergency projects and their costs. GA then assisted in writing grant applications under a federal program. All 22 districts received their full grant requests.

The second phase provides Washington public works law training to school administrators and business managers. Most had never managed a major capital project and most had no knowledge of public works law other than some basic bidding rules used for office supply purchases. A GA team of facility planners, project managers and contract administrators developed a training program specifically targeted to school construction law. Through regional training conferences, GA conducted the first six training sessions in all corners of Washington. Several involved televideo conferencing through the state's K-20 network to extend the reach to even more schools. The training focused on the major issues of public works law, exposing the participants to the legal concepts and identifying sources for information. The goal of the continuing training program is

not to make educators expert in public works law. Instead, our goal is to provide enough information so the schools know when to ask for help.

The third phase began when a dozen grant-winning school districts asked GA to manage their projects from design through construction as the district's representative. GA provides capital project management for the majority of state agencies. We have a statewide small works roster and a statewide architect and engineer on-call list. Using our long experience with capital construction, GA is able to quickly locate the best professionals for design and, for projects under \$200,000, use the small works roster procedures to contract for construction. GA has also elected to use in-house architects and engineers for design work on some of the projects resulting in significant cost savings.

The school's role is to educate our children. While educators concentrate on children, GA manages their facility project needs. To date, GA has helped over 60 school districts. (See Attachment A).

## **12. Why is the program a new and creative approach or method?**

Both state agencies and local school districts created a new voluntary collaboration that benefits schools and saves taxpayer dollars.

The Superintendent of Public Instruction has historically managed its own school construction program, separate from GA. This program allocates state matching funds, but does not directly assist school districts in design or construction management. Washington's 297 School districts are distinct and autonomous political jurisdictions. Until the Tri-Phase Initiative, each school district managed its own projects, often with only the principal or financial officer to act as the project manager. The majority of our school districts have no in-house facilities expertise other than a single general maintenance employee. Without their own expertise and experience, districts were at the mercy of local designers and contractors. They usually used "the same architect we always use," regardless of whether it was an electrical or mechanical engineering issue. Public works laws were often unknown or misunderstood.

With the Tri-Phase Initiative, school districts now have a level playing field with architects and contractors. GA assists in selecting the right project designer for the job. GA negotiates fees on behalf of districts, saving an average of 20 percent. GA also uses its statewide small works roster to ensure bid competition. Once selected, the contractor knows the work will be subject to GA's experienced project management.

GA's project management charges are half what commercial firms charge. State bid advertisement and small works roster procedures bring much needed competition to many districts. Construction costs are scrutinized with long experience and change orders are questioned and challenged. Our experience to date shows schools are

saving an average of 10 percent to 20 percent over comparable projects done the previous way. One district installed a fire alarm system in one school with 25% change orders. This year, a nearly identical project managed by General Administration had more bidders, a lower winning bid and zero change orders. The difference meant over \$25,000 remained in the District's capital account! (See Attachment B).

**13. What were the program's start-up costs? (Provide detail about specific purchases for this program, staffing needs and other financial expenditures, as well as existing materials, technology and staff already in place.)**

There were no start-up costs for the state and its school districts. The initial GA team that evaluated facilities, identified projects and costs, and assisted with grant writing was paid from the state's administration costs for the federal grant program. (See Attachment B).

There were no start-up costs for the school districts. The Superintendent of Public Instruction funded the initial assessments from grant monies.

GA operates the program as a reimbursable activity, so GA had no start-up costs. GA's fully loaded personnel costs and travel expenses were covered by the grant. Project management costs are paid from capital project dollars. Instead of paying outside consultants, the schools pay GA, usually less money. Training activities are paid by participant fees. Our fees are a third of commercial firms and are focused on the specifics of Washington state laws and regulations.

**14. What are the program's annual operational costs?**

There is no annual appropriated budget for the program. All costs of the program are reimbursable activities. School districts use their capital funds for facility assessments, planning and project management, just as they always have. But using the state, they pay less under the Tri-Phase Initiative. Training costs are paid from operational budgets. Again, schools are paying less per attendee than before the Tri-Phase Initiative.

**15. How is the program funded?**

All program phases come from existing budgets at no increased cost to the taxpayer. Facility assessment and project planning may come from either a School District's Operating or Capital Budget. The Tri-Phase Initiative has lowered these on-going costs for districts. For example, one district paid \$5,000 for a facility assessment on one school in 1999. In 2002, GA did an identical assessment for a second building for \$1,400 and included grant writing at no additional charge. (See Attachment B).

Project management costs are paid from the project's capital budget as they always have been. However, under the Tri-Phase Initiative, these costs have been

significantly reduced. Our historical comparisons show Tri-Phase reducing project management costs by one-third to one-half.

Training in public works law for schools comes from existing operating budgets, as always. Except, under Tri-Phase the schools can send three or four students for the same cost as one student going to the commercial sector.

**16. Did this program require the passage of legislation, executive order or regulations? If YES, please indicate the citation number.**

No.

**17. What equipment, technology and software are used to operate and administer this program?**

GA uses AutoCAD and normal office word processing and spread sheet programs. There are no special equipment or software costs.

**18. To the best of your knowledge, did this program originate in your state? If YES, please indicate the innovator's name, present address and telephone number.**

Yes. A team composed of:

- Bob Mackenzie, GA/EAS, P.O. Box 41012, Olympia, WA, 98504-1012, 360-902-7257.
- Duncan Crump, GA/EAS, P.O. Box 41012, Olympia, WA, 98504-1012, 360-902-7229.
- Greg Lee, Office of the Superintendent of Public Instruction, P. O. Box 47200, Olympia, WA, 98504-7200, 360-725-6268.

**19. Are you aware of similar programs in other states? If YES, which ones and how does this program differ?**

No. We do not know of another state with a program similar to Washington's Tri-Phase Initiative. We are aware that many states have the same traditional separation between the state agency capital budget/project management and K-12 school construction. Our program is certainly a first for Washington and, we feel, probably a unique effort among the states to bring the state's facility expertise directly into rural schools.

**20. Has the program been fully implemented? If NO, what actions remain to be taken?**

Yes. GA's facility services are available to all Washington school districts on an as-needed, as-desired basis. GA has been providing services continually since the programs inception in January 2002.

**21. Briefly evaluate (pro and con) the program's effectiveness in addressing the defined problem[s] or issue[s]. Provide tangible examples.**

We have found no downside to Washington's Tri-Phase Initiative. It is a voluntary partnership directly between GA and individual school districts. The Superintendent of Public Instruction and the state's nine Educational Service Districts have also partnered at times with GA to offer improved facility services to K-12 schools.

There are a number of positive results:

- Facility priorities are based on needs rather than "wanna-haves" and "nice-to-haves."
- Using state knowledge of professional architectural and engineering firms, the best consultant is hired and design costs are reduced. In-house, state design services are 5-10% of project cost. Standard commercial design fees for small remodel projects under \$100,000 are 12.5%. (See Attachment C).
- Project management costs are reduced between 33 percent and 50 percent.
- Bid prices are reduced through better plans and specifications and increased competition. At one school the initial advertisement attracted only one bidder at 125% of the project estimate. On re-bid, using state services, 10 contractors attended the pre-bid walk-through, some from over 150 miles away. The winning bid was within 2% of the very lean project cost estimate, saving the school over \$18,000.
- There is no increase in the state's budget. All costs are fully reimbursable.
- Compliance with state public works laws has increased.
- School professionals can concentrate on educating children.

**22. How has the program grown and/or changed since its inception?**

The initiative started as an agreement between GA and the Superintendent of Public Instruction to provide one-time facility condition assessments for 22 rural school districts. The widespread lack of professional facility expertise in school districts, especially the smaller more rural ones, became immediately apparent. This revelation led to a training program that initially blanketed Washington through regional seminars and is now available, and used, on call.

The training sessions provided much needed awareness about Washington public works laws and rules. It also introduced GA to literally scores of school districts that had no previous knowledge of our facility services. Because of the initial facility

assessments and the success of the grant applications GA assisted, a number of school districts asked GA to manage their capital projects.

Word of mouth among schools has helped make school districts aware of additional options, including GA services, for their facility needs.

**23. What limitations or obstacles might other states expect to encounter if they attempt to adopt this program?**

The primary limitation to adoption by other states is that the Tri-Phase Initiative is a different way of doing business. It hadn't been done before. School Districts are suspicious of state "interference" in "local concerns." The initiative takes state and school district people out of their traditional capital project boxes and provides an expansion of voluntary options to school districts. The common reluctance to try something new and get out of comfort zones is a barrier that can be overcome with a voluntary program that bridges the traditional separation and distrust between state and local authorities.

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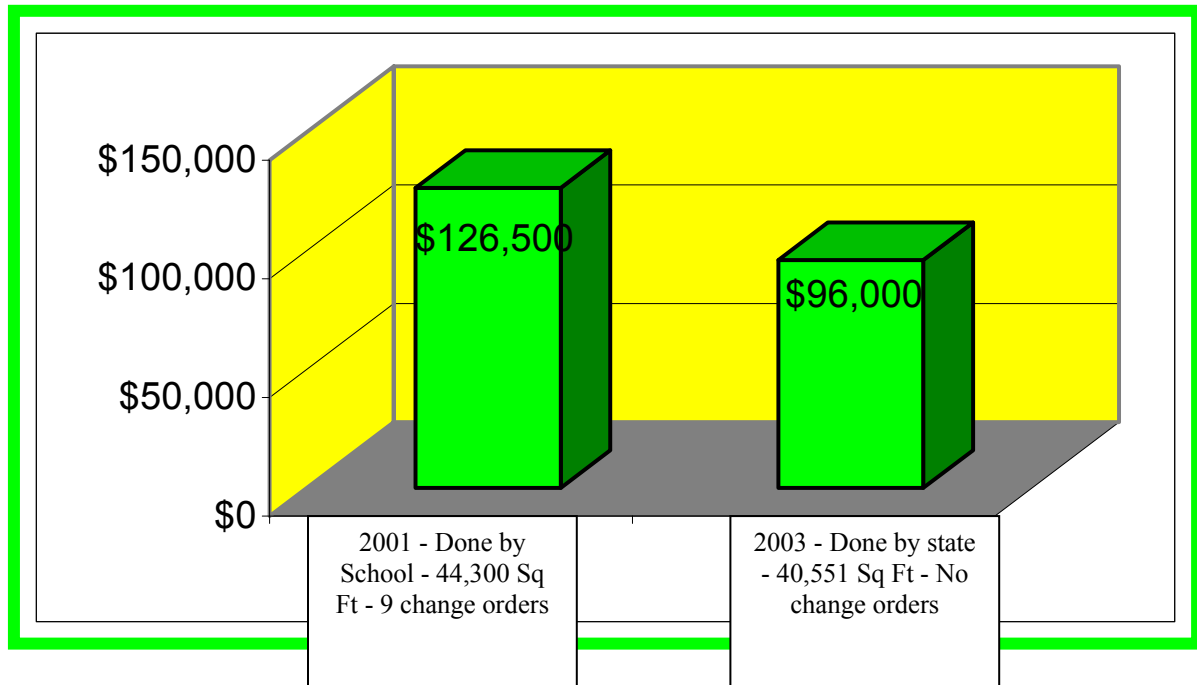
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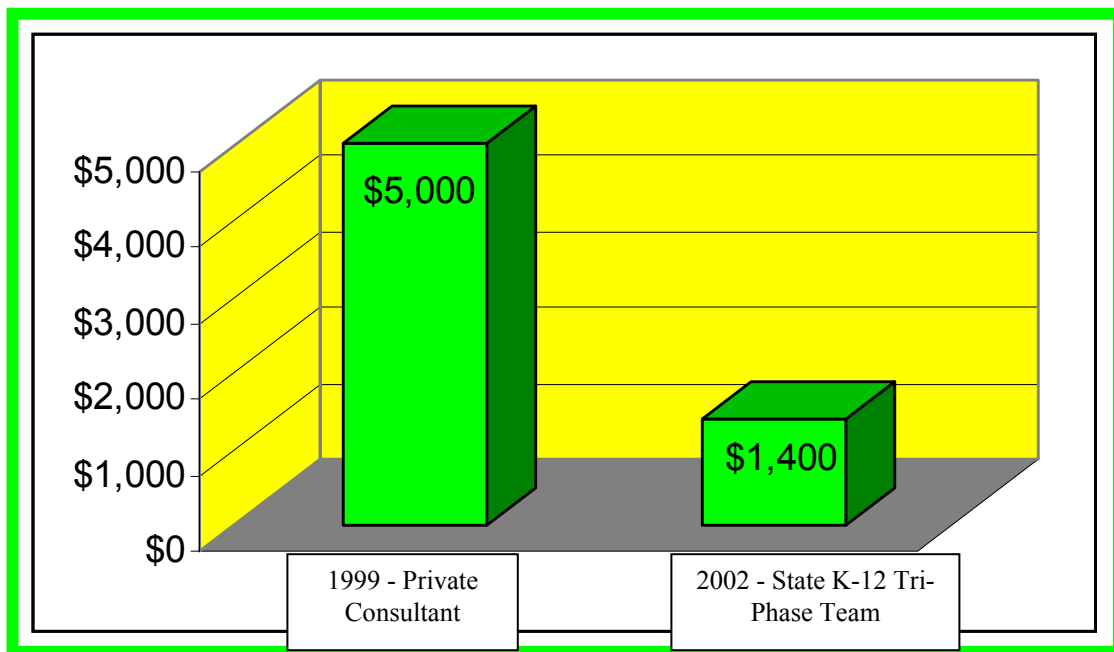
Lexington, KY 40578-1910

[innovations@csg.org](mailto:innovations@csg.org)

## Attachment B K-12 Fire Alarm Projects at one school



## Condition Assessments 1999 and 2002 - Same Building



# 1<sup>st</sup> Year Expenditures



## Attachment C - Design Services



Original Alternative High School Storefront.  
Single-pane, leaking, no insulation.



New Alternative High School Storefront  
Thermal glass, insulated walls, improved structure  
Architectural design fits School District model.  
State in-house design and project management.  
Project Bid 10% below design estimate - no change orders!