

**NJB Project
King County Oversight
Project Status Report**

October 2007

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Executive Summary

This is the fourth of 6 oversight reports to be submitted under the current KC/JLL Contract # T02739T providing construction oversight of the Ninth and Jefferson Building at Harborview Medical Center. This fourth period included two site visits, attendance at two “Tenant Improvement” team meetings and one “Shell and Core” team meeting.

The single page Summary Matrix for this project is attached. While the Summary Matrix document lists only current activities that may affect the cost, schedule, or quality of this project, follow up comments on these topics are listed at the end of this executive summary. These items will be tracked until an appropriate resolution is achieved.

The Shell and Core Building construction process is currently on time and in budget. The building permit has been secured as has the permit for Shell and Core Mechanical and Electrical work. Similarly, Tenant Improvement planning continues to be on schedule. The team is focusing on the plans for tenants who will occupy the first several levels since those levels are the first concrete pours, the first Mechanical, Electrical, and Plumbing rough in’s etc. These areas will also be ready first for completion of other Tenant Improvement details.

II. Design

Following is a current statistical summary of building details:

	<u>Original NJB Scope</u>	<u>Aug. Report</u>	<u>Current Record</u>
Building:	440,000 GSF (Gross SF)	437,999 GSF 424,992 RSF (Rentable SF)	437,999 GSF 424,992 RSF
Parking:	600+ Spaces	673 Spaces 237,629 SF	650 Parking Stalls**

**The difference in the above statistics is assumed in part to be the Garage area taken to locate the server.

The NJB TI Design Team has focused on securing as many equipment and operational details as possible from tenants who will occupy the first 1-3 levels of the tower. Generally, the TI Design Team process at this point follows the schedule of the Shell and Core from ground level up. Several structural and mechanical details associated with specialized equipment (i.e.) Radiology/CT/MRI equipment, used by tenants on these first floors have been included in the approved building, mechanical, and electrical plans recently permitted. The team has developed structural, mechanical and electric system details that will accommodate a variety known equipment vendor details.

TI (Tenant Improvements):

Contractual Requirements

Harborview has met the September 1, 2007 deadline for identification and location of Tenant agencies within the building, which is the first contractual milestone towards completing tenant improvements.

Per the NJB Project Lease, Section 1.68, "...the final Tenant Improvement Package for" tenants "...shall be completed and approved by Developer, Landlord, Tenant and applicable user on or before July 1, 2008."

To meet this next contract deadline, Tenants who will occupy the NBJ building each will go through a process from Space Programming through Construction Documentation. Following is a brief description of the process involved before the final package for each tenant can be completed:

- A. PROGRAM - Space Programming questionnaire: Completion by each tenant and return to Design Team
- B. PROGRAM - Preliminary Space Plan based on questionnaire): Submission by Design Team to Tenant
- C. SCHEMATIC DESIGN- (Actual Space Planning): One or more preliminary design discussions &/or meetings based on A, B, and subsequent discussions.
- D. DESIGN DEVELOPMENT: Process of assuring that structural, mechanical, and electrical requirements for specific type of occupant, their furniture, equipment, and operations are incorporated in the plans.
- E. COMPLETION - Construction Documents: This final set of drawings requires sign off by the tenant of Design Development details and subsequent changes usually create costly change orders.

The summary of TI design status is being tracked by floor in a graph on the Summary Matrix. Due to efforts by the team to provide details to DOH, a detail summary of TI progress was not available for review for the last 4 week period. The data used to develop this first chart is based on details provided last month.

III. Permits & Public Agencies

- The Building Permit has been secured for the complete shell and core project, which includes the garage and tower.
- The Mechanical and Electrical permits have also been secured.

IV. Contracting and Procurement

Mechanical/Electrical systems detailing and coordination is complete and signed off by all trades through level 4. Significant Mechanical and/or Electrical changes created by tenant planning for tenants who occupy levels 1-4 could now potentially result in higher TI costs. Fortunately, the planning focus of WRC team appears to have anticipated as many alternates as possible, and changes should create fewer up charges.

V. Construction

Early tenant improvements construction start is approximately April 2008, and some of the mechanical & electrical elements could begin the rough-in stages as early as December of 2007 on levels 2 and 3.

Several tenant improvement items have been planned into the construction of the shell and core of the building. Examples of such items are:

- Floor recesses to accommodate walk-in coolers, trench drains, etc.
- Removable skylights above the MRI equipment locations to facilitate loading the equipment in and out of the building with a crane.
- Thickened slab area to accommodate the strict structural vibration limitations of MRI & CT equipment.
- Floor sleeves for plumbing drains.

VI. Financial Update

Change Order Summary:

<u>Change Order # - Item</u>	<u>\$ Value</u>	<u>Description</u>
#1 – Server Room Early Costs	\$537,516	Design costs for entire server room change and Seattle City Light cost for the addition of a second transformer vault. Funded outside of the project (Tower & Core) financing.
#2 – Server Room	\$7,092,735	Entire cost beyond CO #1 for the server room construction. Funded outside of the project financing.
#3 – Duress Alarm Stations	\$114,336	Costs to add duress alarm stations throughout the parking garage. Funded from project allowances within the Tower & Core development budget.
#4 - Parking & Access System Upgrades	\$22,869	Funded from Owner Contingency
Unknown		Increased costs associated with changes in Med Gas Changes
Unknown		Costs associated with Vendor preferences with costs higher than alternate vendor \$.

Critical Issues

None this month

Carry Forward Log (Subjects from Previous Oversight Report)

Construction Issues being tracked

Team embraced inclusion of product in concrete to improve waterproofing over Server area.
August: Close Item Sept 2007

Canopy fabric final selection pending
August: Close Item Sept 2007

Watch final details, specification, gauge of material used for cap over stone at roof
August: Continued subject tracking
September: Closed Item Sept. 10, 2007

Team to be present when top coat on deck is raked, concern it might be too rough, not durable
August: Continued subject tracking.
September: Closed Item Sept 2007

UMC moved ahead w/ med gas equipment without entire team sign off. Being resolved.
August: Resolution in progress, continue to follow.
September: All NJB Med Gas Equipment will serve as redundancy to the Harborview Campus. Harborview has requested revisions to the systems. Changes created lead time issues for the equipment delivery and commissioning. This change in schedule does not appear to be on the critical path. The item remains on watch until the fiscal side of this issue is confirmed. **October**
Turner has submitted CO to Wright Runstand, Project CO pending.

Schedule Status/Issues

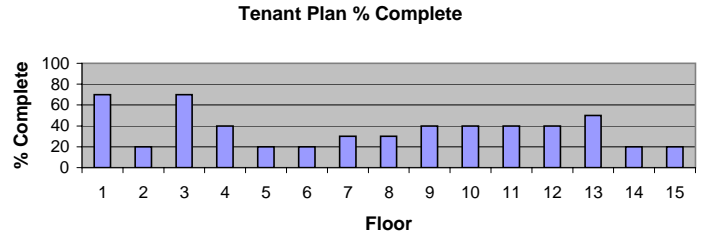
Elevator Submittals partial to keep going, 2nd submittal will be finishes.
August: Close item Sept 2007

Qwest indicated they are 6 months behind, team members following up, doing what it can.
August: Continue to follow
September: Quest confirmed that they will be able to meet NBJ schedule. Close Item

Structural Permit was not received by 8/2, but construction has continued. Continue tracking
August: While this could have been a critical issue, last minute interim resolution seems to have solved the immediate concern. Will report again in September.
September: Permit approved, Documents being prepared. October: Permits Secured, full Tower and Core, Mechanical and Electrical through Floor 4.

Elevator Companies in Seattle are behind with all construction projects, team doing what it can.
August: Continue to follow
September: No new discussion regarding this topic.
October: No new discussion

STATUS / ISSUES	GENERAL OBSERVATIONS
<p>NJB Building Construction (Issues to track)</p> <p>UMC moved ahead w/ med gas equipment without entire team sign off. 9/15/07 Harborview requested changes, continue watching related financial. 9/26 Turner submitted change order request to Wright Rundstad. CO to be tracked in November report.</p> <p>UMC building engineers requested Johnson Controls as a preferred vendor. There will be an increased cost. Turner submitted CO. This CO will be tracked in November report.</p> <p>Harborview / Tenant Improvement Issues</p> <p>Significant effort by the entire team was devoted to assembling presentation materials for DOH (Department of Health). A sequencing plan for IT permitting and completion will be shared with to improve co-ordinated approval process between regulatory agencies. Routine TI Planning within tenant groups continues to progress and is on schedule. Due to the focus on DOH materials, an updated TI Planning summary was not available this month.</p> <p>Schedule Status/Issues</p> <p>Pending changes by Harborview for building air & med. Compressor systems will have an effect on the delivery schedule, but Harborview, KC, and UW support these changes which are for redundant pieces of equipment, not primary support units. October: IEB and NBJ meeting pending to discuss schedule issues.</p>	<ol style="list-style-type: none"> Building Permit has been secured for complete tower shell and core, garage and tower. Mechanical & Electrical permits for garage/tower, shell and core have been secured. In September I became concerned that the design team might be understaffed with an adequate number of experienced medical planners to handle the surge of TI design planning details between October and December to meet contract deadlines. That concern was tempered this month when MBBJ assigned additional manpower to the effort.



█ Budget or Schedule at Risk
█ Some Concern-Topic Being Reviewed
█ Currently No Issue, Follow up shows on extended report.

COST SUMMARY	ORIG KC APPROVED BUDGET	CURRENT Proposed BUDGET (WRC 9/10/07)	FORCAST @ COMPLETION (WRC Oct.07)	COMMITMENTS (Not yet in forcast)	ACTUAL COST TO DATE (WRC Oct.11.07)	REMAINING * Incomplete
SHELL AND CORE						
ARCH. & ENGINEERING	\$4,472,000	\$4,644,000	\$4,644,000		\$3,671,469	\$972,531
CONSTRUCTION (Incl. WRC Contingency)	99,798,000	\$106,992,037	\$106,992,037		\$25,186,471	\$81,805,566
MISCELLANEOUS	1,634,000	\$1,234,000	\$1,234,000		\$292,412	\$941,588
GENERAL CONTINGENCY	5,103,000	\$5,383,869	\$5,383,869		\$0	\$5,383,869
PROJECT ADMINISTRATION	6,705,000	\$7,068,345	\$7,068,345		\$659,904	\$6,408,441
SUB-TOTAL	\$117,712,000	\$125,322,251	\$125,322,251		\$29,810,256	\$95,511,995
SERVER ROOM = CO#1 & #2						
CONST./AE/WR	\$6,922,057	Included Above	Included Above		Included Above	Included Above
CONTINGENCY	\$346,103	CO # 1 & 2	CO # 1 & 2		CO # 1 & 2	CO #1&2
ESCALATION	389,856	Most in CO #1 & 2	Most in CO #1 & 2		Most in CO #1 & 2	27,775
SUB-TOTAL	\$7,658,016	Incl. Above	Incl. Above		Incl. Above	\$27,775
TENANT IMPROVEMENTS						
TENANT IMPROVEMENT COST	\$47,423,000	\$47,443,000	\$47,463,000		\$434,722	\$47,028,278
TENANT DESIGN CONTINGENCY	11,500,000	\$11,500,000	\$11,500,000		\$0	\$11,500,000
SUB-TOTAL	\$58,923,000	\$58,943,000	\$58,943,000		\$434,722	\$58,508,278
TOTAL PROJECT	\$184,293,016	\$184,265,251	\$184,265,251		\$30,244,978	\$154,020,273

TI DESIGN SUMMARY	Floor	LOCATED &/or COMMITTED	PROGRAM	SCHEMATIC DESIGN	DESIGN DEVELOPMENT	FORCAST COMPLETION
KCME LOADING DOCK	6	FIRM	SIGNED OFF	COMPLETE	WORKING	
PATHOLOGY MORGUE	6	FIRM	WORKING			
FINANCE	1	PENDING	SMALL AREA			
PHARMACY	1	FIRM				
ITA COURT	2	FIRM	SIGNED OFF	COMPLETE	WORKING	
KCME LAB	2	FIRM	SIGNED OFF	COMPLETE	WORKING	
PATHOLOGY	2	FIRM	SIGNED OFF	COMPLETE	WORKING	
SCHOOL OF MEDICINE RESEARCH LAB	3	FIRM	SIGNED OFF	COMPLETE		
ISIS LAB	3	PROBABLE				
BLOOD CENTER	3	FIRM	WORKING			
RADIOLOGY	3	FIRM	WORKING	EARLY BLOCK		
FREEZER FARM	4	PROBABLE	HOLDING PLACE			
SLEEP CENTER	4	FIRM	WORKING			
CONFERENCE CENTER LECTURE ROOMS	4	PROBABLE	HOLDING PLACE			
RADIOLOGY	5	FIRM	WORKING			
MULTIPLE CLINICS	5	FIRM	WORKING			
NEURO OFFICE(S)	6	FIRM	WORKING			
STROKE NEUROLOGY	7	PROBABLE				
EPILEPSY	7	PROBABLE				
RADIOLOGY CLINIC	7	FIRM	WORKING			
12TH AVENUE CLINIC	7	FIRM	WORKING			
REHAB GYM	7	FIRM	WORKING			
HAND CENTER	7	FIRM	WORKING			
ORTHO CLINIC / FOOT AND ANKLE	7	FIRM	WORKING			
EYE INSTITUTE	8	PENDING 8 OR 9	WORKING			
KIDNEY INSTITUTE	8	FIRM				
ORTHO OFFICES	8	FIRM	SIGNED OFF	WORKING		
IT SERVICES	9	FIRM	SIGNED OFF	WORKING		
IT SERVICES	10	FIRM	SIGNED OFF	WORKING		
HARBORVIEW IT SERVICES OFFICE	11	FIRM	SIGNED OFF	WORKING		
CIS OFFICES	11	FIRM	SIGNED OFF	WORKING		
PCIS OFFICE	11	FIRM	SIGNED OFF	WORKING		
IT SERVICES OFFICE	11	FIRM	SIGNED OFF	WORKING		
VIROLOGY	12	FIRM	SIGNED OFF	Complete		
CFAS OFFICE	12	FIRM				
KING COUNTY STD CLINIC & OFFICES	12	FIRM	WORKING			
GLOBAL HEALTH	13	FIRM				
GLOBAL HEALTH	14	FIRM				