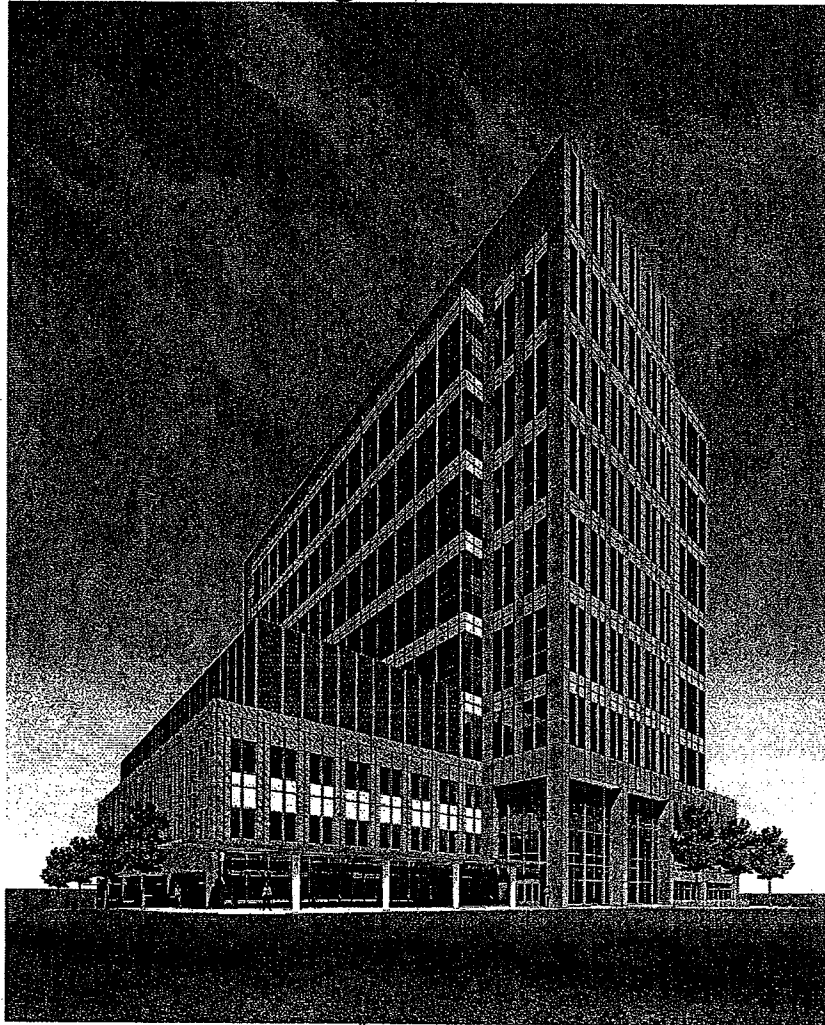


Harborview Medical Center Bond Project
Monthly Report

August 2006



Rendering of the proposed new 9th & Jefferson Tower: WRC/NBBJ Architects



King County



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Harborview Medical Center Bond Project
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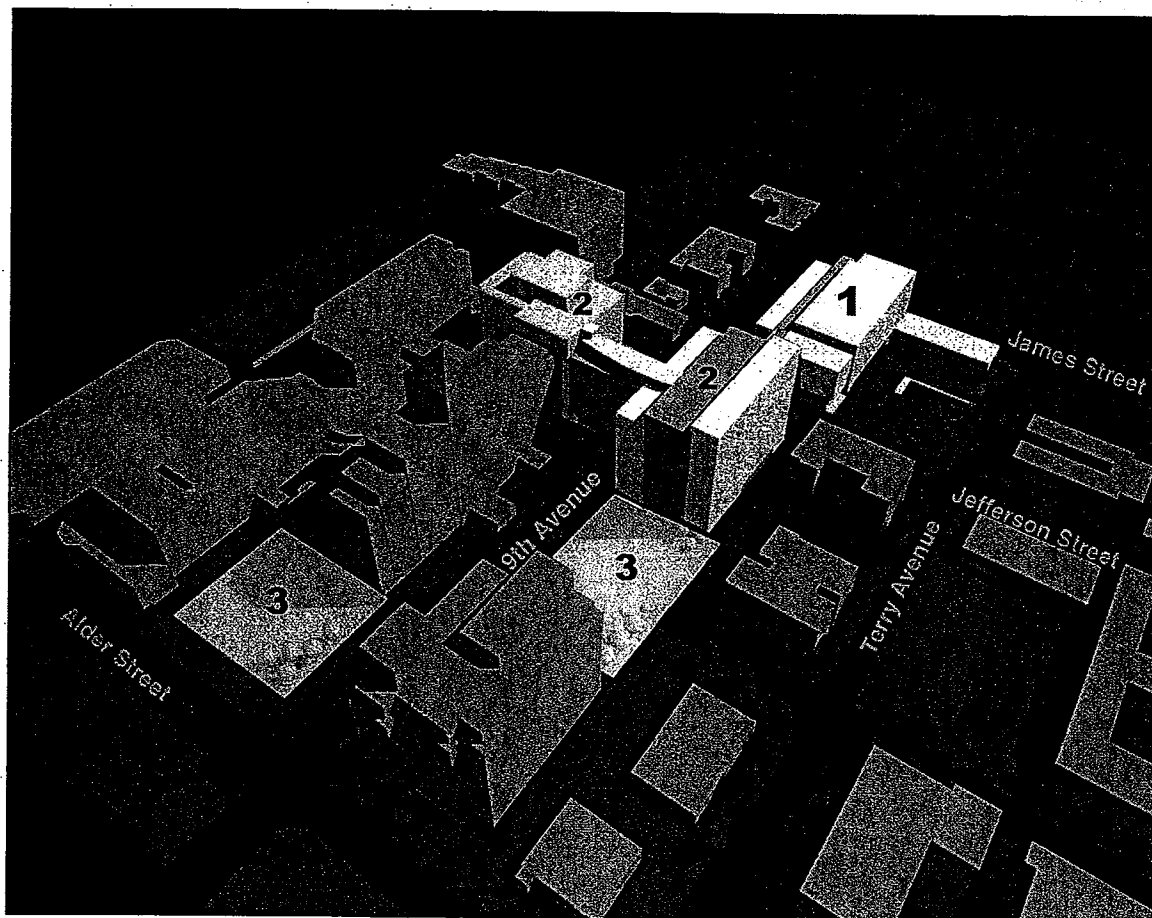
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Background

Harborview Medical Center is a comprehensive health care facility owned by King County Government, governed by a County-appointed Board of Trustees and managed by the University of Washington. Its primary mission is to provide high quality health care to the residents of this region, in particular to the indigent and underserved residents of King County. Serving a four-state region, Harborview is home to the nationally renowned level-one trauma center and Medic One emergency response unit. In addition, Harborview leads the region with medical centers of emphasis in the areas of Neuroscience, Burn, AIDS/STD, Orthopedics, Trauma and Mental Health. The Medical Center combines state-of-the-art emergency services with general medicine and specialty clinics.

Harborview Bond Project Scope

The goal of the Harborview Bond project is to remedy significant seismic deficiencies on the campus and to address the need for expanded in-patient bed capacity. The adopted program plan outlines the work as follows to occur in three major phases. The prime contractor for the project is Turner Construction and the firm of NBBJ Architects leads the design team.



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Project Description

Project 1: Ninth & Jefferson Building (NJB)

- o New construction of a multi-purpose facility to house a center of emphasis in infectious disease control including HIV/AIDS and STD. In addition, specialized services such as the King County Medical Examiner (KCME), laboratories, the Involuntary Treatment Act (ITA) Courtroom, retail, building lobby, and four floors of underground parking are included in the NJB.

Project 2: Inpatient Expansion Building (IEB) & Seismic Upgrade

- o Seismic improvements to the North Wing trauma center tower. These improvements will meet FEMA Immediate Occupancy after a code level seismic event which exceeds the current code of seismic design for hospitals. New construction of an inpatient wing, adjoined to the existing facility by a bridge building.

Project 3: Proposed Demolitions of Harborview Hall & East Clinic (South Wing)

- o Demolition of the seismically unsound East Clinic, and potential demolition of Harborview Hall.

Project Budget

To fund the Harborview Bond program, King County authorized a special election and received voter approval for \$193 million. The voter-approved bond funds combined with interest earnings and contributions from Harborview bring the total project budget estimate to \$292 million.

<u>Project 1</u>	Ninth & Jefferson Building (NJB)	\$104,400,000 (revised)
<u>Project 2</u>	Inpatient Expansion Building (IEB) & Seismic Upgrade	\$164,176,000 (revised)
<u>Project 3</u>	Proposed Demolition of Harborview Hall & East Clinic (South Wing)	\$11,000,000
<u>Sub-Projects</u>	Pre-design/Appropriations to Date	\$8,398,576
	1% for Art and Administration	\$3,325,424
	Project Savings Reserve Account	<u>\$1,500,000</u>
Total		\$292,800,000

Project Schedule

Project development activities are scheduled to extend through the year 2009.

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Progress Highlights

Schedule, Design/Construction

- IEB construction work continues to meet the revised schedule.
- NJB construction work remains suspended until October pending decisions on alternative construction methods being explored by King County.

Scope of Work

- The IEB continues within scope for all phases of design.
- The Developer has proposed a new design for the NJB that will construct a full-block, high-rise building. This plan would incorporate the second phase of building into the current design. King County and the Developer are confirming the benefits of the high-rise concept.
- Revisions to the NJB design must accommodate the existing spaces and users within the budget parameters. The cost of additional space would be recouped through the lease-leaseback approach.

Project Budget

- The UWCPD is continuing to evaluate higher than anticipated change order pricing on the IEB. Independent analysis is being sought.

Progress

- Inpatient Expansion Building
 - ✓ Concrete floors for the main building are complete through level 9
 - ✓ The North Wing level 5 and 6 concrete slabs are complete
 - ✓ Mechanical piping, ductwork and electrical conduit coordination is complete through level 8
 - ✓ Installation of mechanical piping, ductwork and electrical conduit is in progress for Levels 1 through 7.
 - ✓ Total Requests for Information = 897 with an average turnaround of 5 days.
 - ✓ Total Submittals to-date = 431 with an average turnaround of 15 days.
- Safety reports for this month show a cumulative 229,092 hours worked with 1 lost time incident.

Projects

IEB: In-Patient Expansion Building and North Wing Seismic Upgrade Projects
HH/EC: Harborview Hall Demolition and East Clinic Demolition Projects
NJB: Ninth and Jefferson Building Project

Phases:

SD = Schematic Design
DD = Design Development
CD = Construction Documents

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Snapshot of Critical Issues

○ Concrete Workers Strike

As with so many other construction projects in this Region, the concrete workers strike impacted the critical path of the Harborview project schedule, costing time. As an example, prior to the August 1st strike date the Harborview project was staffed by 130-140 workers. Over the 3 week strike duration, lack of work reduced the number of workers on site to approximately 30-40. In addition to the lost productivity, the General Contractor is concerned by the loss of experienced workers with project history and knowledge of the special safety requirements on the campus. Efforts are currently underway to ramp up to full levels. UW CPO and Turner Construction will fully assess the strike impacts, although the construction contract limits the owner's liability for such. The Bond Oversight Committee will be briefed on the matter at their monthly meeting.

○ Ninth and Jefferson Building Progress

Wright Runstad & Co. (WRC) is proceeding towards a November 1st start date. Thus far their work has involved design; budget separation; permits; tenant confirmation; schedule and constructability analysis. The new design will construct a 14 story building at approx. 450,000 sf including five floors of parking. Tenants are currently identified, including the originally planned agencies. Harborview administration is considering other possible tenants and WRC has offered to purchase \$100,000 sf of building space if needed.

Seismic Relocation of Critical Functions

- King County Medical Examiner
- ITA Court
- HMC Pathology
- School Of Medicine Research

Harborview Mission Emphasis Centers

- Center for AIDS/STD
- KC Sexually Transmitted Disease Clinic (Public Health-Seattle/King County)
- Madison Clinic
- AIDS Clinical Trials Unit
- Northwest Family Center (Public Health-Seattle/King County)
- Global Health (HIV/Non-English Speaking Poor)
- Spine/Neurosurgery/Orthopedics Outpatient Services (Trauma/Rehabilitation)

○ NJB Next Steps

Concurrent with the aforementioned, the following work is in progress

- Finalize 6320 Contract with the Prosecuting Attorney's Office and WRC attorneys
- Finalize corresponding legislation
- Finalize budget separation with UW CPO
- Establish the continuing Oversight Committee role
- Continue with stakeholder information sessions

○ Council Briefings and Legislation

In order to keep the project on track, the 6320 Lease-leaseback legislation for the NJB should be approved by November 1st. The Facilities Management Division is planning a series of council briefings to occur in September and October.

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Summary Budget Report

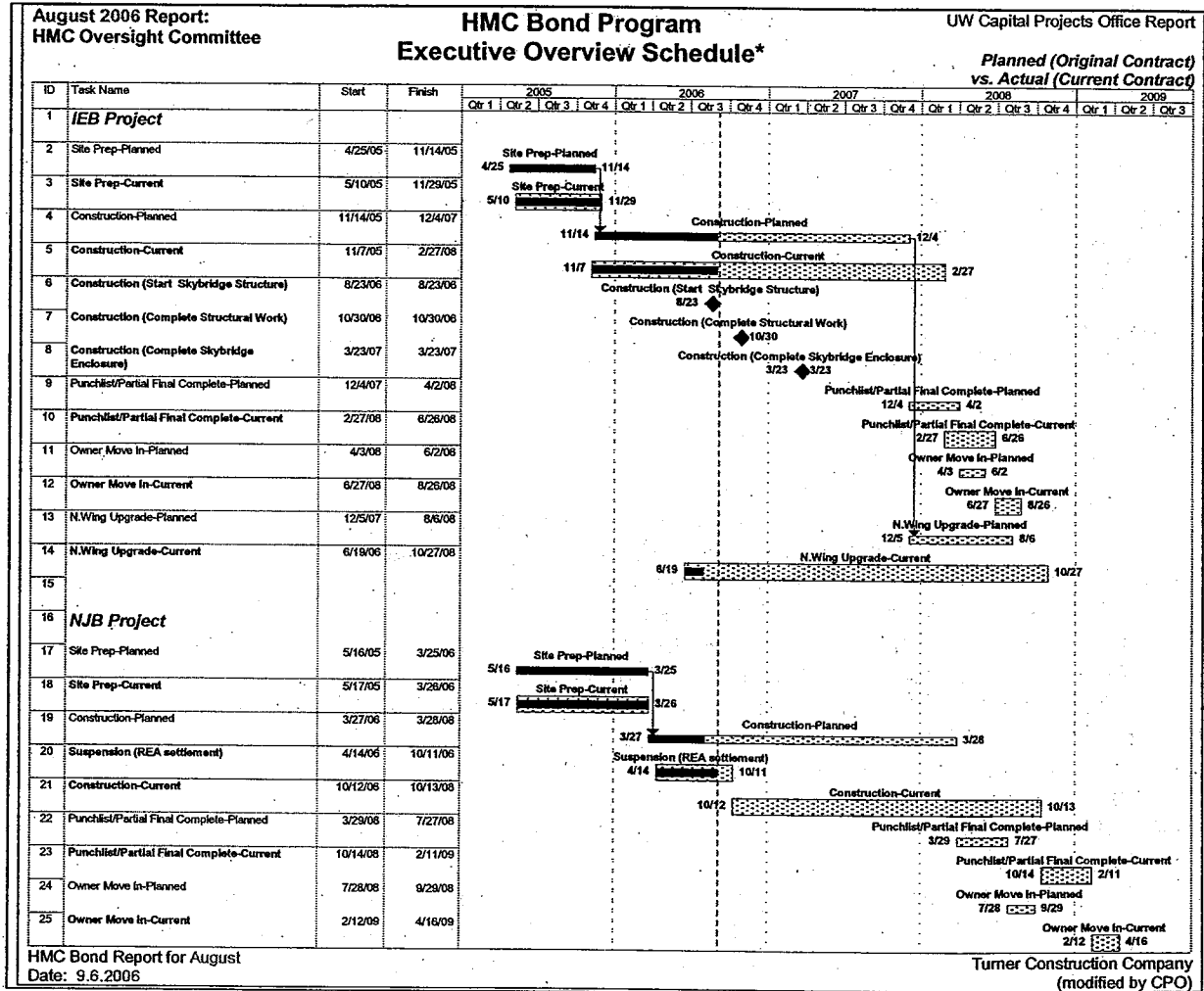
DESCRIPTION	REVISED REA BUDGET	COMMITTED FUNDS	EXPENDITURES (UDOLTT-APPROVED)	% OF APPROVED BUDGET COMMITTED	FORECAST COST AT COMPLETION	VARIANCE (Forecast - Budget)
ACQUISITION PROJECT	2,340,000	2,340,000	2,340,000	100.00%	2,340,000	0
PREDESIGN PROJECT	5,124,000	5,014,819	5,014,819	97.87%	5,124,000	0
NJB PROJECT Pre Development Agreement	106,159,815	102,929,169 910,000	29,561,421	96.96%	121,159,815	15,000,000
IEB PROJECT	163,776,000	134,428,303	56,793,823	82.08%	163,776,000	0
Vanir / Risk Management	400,000	395,380	298,040	98.84%	400,000	0
HH/EC DEMO PROJECT	11,000,000	941,318	897,028	8.56%	11,000,000	0
ART, KC, HMC ADMIN	4,500,000	2,801,830	2,801,830	62.26%	4,500,000	0
SAVINGS RESERVE	1,260,000			0.00%	1,260,000	0
TOTAL:	294,559,815	249,760,819	97,706,961	84.79%	309,559,815	15,000,000

Contingency Summary Status

DESCRIPTION	APPROVED BUDGET	COMMITTED FUNDS THIS MONTH	COMMITTED FUNDS TO DATE	FORECAST TO DATE	% OF FORECAST COMMITTED	REMAINING BALANCE
DESIGN SERVICES CONTINGENCY						
NJB Project	1,252,014		1,172,170	1,200,000	98%	79,844
AE CO Contingency	458,378		12,506	0		445,872
IEB Project	1,841,291		1,750,748	1,841,291	95%	90,543
AE CO Contingency	629,021		3,955	0		625,066
HH/EC Demo Project	257,753		61,108	71,496	85%	196,645
SUBTOTAL:	4,438,457	0	3,000,487	3,112,787	96%	1,437,970
CONSTRUCTION CONTINGENCY						
NJB Project	10,074,039		2,653,276	3,000,000	88%	7,420,763
IEB Project	8,346,077	-2,123	939,036	1,200,000	78%	7,407,041
HH/EC Demo Project	657,519					657,519
SUBTOTAL:	19,077,635	-2,123	3,592,312	4,200,000	86%	15,485,323
MACC CONTINGENCY						
NJB Project	1,320,000	10,375	-40,729			1,360,729
IEB Project	1,930,000	-153,346	4,822			1,925,178
HH/EC Demo Project	100,000					100,000
SUBTOTAL:	3,350,000		-35,907	0		3,385,907
MANAGEMENT RESERVE						
NJB Project	4,014,842	910,000	2,065,303	1,234,675	167%	1,949,539
IEB Project	3,927,545		273,273	393,297	69%	3,654,272
HH/EC Demo Project	309,356		27,505	27,505	100%	281,851
SUBTOTAL:	8,251,743	910,000	2,366,081	1,655,477	143%	5,885,662
SAVINGS RESERVE	1,260,000	0	0	0	0%	1,260,000
TOTAL:	36,377,835	907,877	8,922,973	8,968,264	99%	27,454,862

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Project Schedule



Look Ahead:

- Wright Runstad Presentation to the Oversight Committee Sept. 2006
- Community Advisory Committee Meeting Sept. 2006
- Stakeholder briefings and approvals Sept. 2006

Upcoming Legislative/Policy Actions

- Council Project Briefings with NJB recommendations Sept. 2006
- 6320 Lease-Leaseback Legislation Sept. 2006

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PROJECT CHRONOLOGY

- 3/2002 UW Board of Regents approves Definitive Agreement
- 4/2002 Project Labor Agreement was recommended by King County Council
- 4/2002 Oversight Committee held first meeting
- 5/2002 King Country selects consultant for housing replacement design
- 5/2002 Citizens Advisory Committee meeting was held to discuss new massing options for clinics building and Opus
- 6/2002 Oversight Committee approves the PLA with the 9 guiding principles
- 7/2002 A Squire Park Community Meeting was held to discuss the housing location
- 7/2002 The County Council approves the GC/CM approach via ordinance
- 9/2002 Another Community Meeting was held to begin DYS master site plan
- 10/2002 Full County Council approval of the 401 Broadway Lease
- 10/2002 Bond Oversight approval of the independent project monitoring consultant
- 10/2002 GC/CM interviews held
- 11/2002 DBE Program reviewed and approved for inclusion into the bond project
- 11/2002 401 Broadway Groundbreaking Ceremony
- 11/2002 Pre-design work concluded
- 11/2002 County Council approves "Bridge" funding
- 12/2002 GC/CM Contractor selected
- 12/2002 Design Program Phase begins
- 12/2002 King County Arts Commission convenes a jury to select project artists
- 01/2003 Contractor begins independent analysis of the cost estimate
- 01/2003 City Council Committee hearing on aerial vacation
- 01/2003 Independent Audit consultant conducts a Phase I project review
- 02/2003 Oversight Committee Approves the Carbon Fiber Wrap Technology
- 02/2003 A plan for pursuing LEEDS/Building Sustainability goals was approved
- 02/2003 A public hearing on the aerial vacation was held at the City Council
- 03/2003 Oversight Committee approves the Program Plan
- 03/2003 Full Board of Trustees approves the Program Plan
- 03/2003 Seattle City Council approves the Aerial Vacation
- 04/2003 King County Council Approves the Bond Program Scope, Schedule and Budget
- 04/2003 Schematic Design Phase Begins
- 04/2003 Citizens Advisory Committee reviews the exterior design concepts and streetscapes.
- 05/2003 Proposed project amendment to create add'l floors and parking capacity in the NJB
- 05/2003 Agreement with the City regarding alternative housing replacement plan.
- 06/2003 LEED Charrette
- 06/2003 Community Council presentation on exterior façade and building massing
- 07/2003 Design Commission presentation on campus form and aesthetics
- 07/2003 County Council briefing on the Ninth and Jefferson building revised scope of work
- 08/2003 County Council approval of the Ninth and Jefferson Building additional floors
- 08/2003 Schematic Design Mid-phase Review
- 09/2003 SD approved for the IEB, Seismic & Demolition Projects/proceed to Design Development
- 09/2003 Request for MIMP amendment to address housing requirements sent to the City DCLU
- 10/2003 LEED Certification determined cost prohibitive – other options being considered
- 10/2003 Design Development Phase begins for the IEB, Bridge and Demolition projects
- 11/2003 Revised letter sent to the City of Seattle DCLU confirming MIMP housing request
- 12/2003 NJB revised program and schematic design conclusion
- 12/2003 Design Development mid-phase review for the IEB, HH/EC demolition
- 01/2004 Harborview Board and Oversight Committee approve the NJB Schematic Design
- 01/2004 Seattle Design Commission Presentation on building exterior and streetscape designs

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PROJECT CHRONOLOGY

- 02/2004 Facilities & Oversight Committee approve earmarking reserve funds for soils remediation
- 02/2004 Commercial tenants vacate the NJB site at the NW corner.
- 03/2004 King County Council Approves Bond Sale Legislation
- 04/2004 City of Seattle Planning Department approves the MIMP request for Housing mitigation
- 04/2004 Deadline for appeals to the Cabrini housing mitigation plan passes without challenge.
- 04/2004 Received the highest bond rating for the sale of \$110 million Harborview Bonds
- 05/2004 Oversight Committee review and approval of the IEB exterior and streetscape
- 06/2004 IEB Design Development Review and Approval by the Facilities & Oversight Committees
- 06/2004 Design review and approval granted the by the City of Seattle Design Commission
- 06/2004 401 Broadway Opening Ceremony and Pat Steel memorial building dedication
- 07/2004 Received Federal EPA Brownsfield Grant for NJB soils remediation
- 07/2004 Housing mitigation plan receives full funding
- 08/2004 NJB exterior & interior design concepts approved by the Oversight Committee and HMC
- 08/2004 Citizens Advisory Committee reviews NJB design and streetscape
- 08/2004 County Council approves technical appropriation to support contract extensions
- 08/2004 County Council approves the sale of \$54 million in remaining bonds
- 09/2004 DD approved for the NJB and authority to proceed to Construction Document Phase
- 10/2004 Turner Construction presents schedule overview and construction logistics plan
- 11/2004 County approves the 2005 Bond Project administrative budget
- 12/2004 Turner Construction presents revised GCCM cost estimate to the Project Team
- 12/2004 Bids advertised for early site and abatement at the 9th and Jefferson site.
- 12/2004 The housing mitigation project: Cabrini Sisters Senior Housing, begins construction
- 01/2005 Contract negotiations continue with Turner Construction for a guaranteed cost.
- 02/2005 Oversight Committee approves the UWCPD contract settlement terms with Turner
- 02/2005 Oversight Committee approves an approach for managing exceptional escalation
- 02/2005 King County Council receives briefing on project status and upcoming legislation
- 03/2005 County Council budget hearing on appropriation of remaining funds for construction
- 03/2005 Executive proposed budget ordinance approved, appropriating \$196 million
- 04/2005 Groundbreaking Ceremony included all stakeholders and community members.
- 05/2005 Citizens Advisory Committee reviews construction plans and street impacts.
- 05/2005 City of Seattle approves the MIMP amendment granting weekend street work
- 06/2005 The Oversight Committee approves the Project Labor Agreement
- 07/2005 Citizens Advisory Committee project update meeting.
- 07/2005 King County Council approves funding for additional parking in the NJB
- 08/2005 IEB CD Phase completed and approved to proceed to bid
- 09/2005 NJB CD Phase completed and awaiting review and approval to bid
- 11/2005 Community Advisory Committee Meeting
- 01/2006 Community Advisory Committee Update
- 01/2006 The Majority of IEB Bids Received
- 02/2006 All construction bids for the IEB and the NJB have been received.
- 03/2006 Oversight Committee approves a revised construction plan for the IEB and the NJB
- 03/2006 King County Council Project Briefing and Proposed legislation
- 04/2006 Ordinance 15401 unanimously approved assignment of project funds to the IEB
- 04/2006 RFPQ advertised to developers for plans to complete the NJB
- 05/2006 NJB developer responses received and the selection process begins.
- 05/2006 Community Advisory Committee Meeting
- 06/2006 NJB selection process concludes with Wright Runstad & Co. ranked number one
- 07/2006 Predevelopment Contract established with Wright Runstad & Co.
- 07/2006 First "Owners Meeting" held with Wright Runstad & Co.; KC, HMC and UWCPD
- 08/2006 Concrete Workers Strike begins and extends through the month