

**NBJ Project
King County Oversight
Project Status Report**

July 2007

Submitted by: Pat Clickener

July 27, 2007



Executive Summary

This is the first 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. During the first 30 days of oversight review of the applicable background documents including NBJ Properties Lease, Bond Indenture of Trust, the Ground Lease and Project Lease Agreement were reviewed for future reference. The May and June reports written by KC and the May and June reports provided to Wright Runstad by Falkin Associates were also reviewed.

Wright Runstad, Turner, HMC and KC parties have been notified that JLL will be providing oversight for the project and per contract terms, should be receiving the same documentation regarding the project that is being provided to Mr. Jim Napolitano, King County representative for the project. While this flow of information is beginning to take place, several background documents have yet to be received by JLL, therefore, this first report is somewhat shorter and perhaps less complete than future reports will be.

Generally, it appears that the WRC, Turner, HMC team is working well together. There is a normal amount of tension between WRC and Turner while it is obvious that each of the parties are focused on problem solving and not just winning the next round!

The senior representative of WRC appears very organized and knowledgeable. Several of her decisions would indicate that her interest is in controlling costs, but not if those savings create future operational expense or inflexibility.

HMC representation and responsiveness appear to be acceptable to WRC. Information required by WRC and/or Turner has been provided on time and in most cases in complete form. The TI and associated tenant information has been provided on schedule.

A single page Summary Matrix for this project is attached. This document lists activities that may affect the cost, schedule, or quality of this project. These items will be tracked until an appropriate resolution is achieved. An area on the document has been reserved for future graphic comparisons. Also a part of the Matrix provides a high level economic and schedule summary. The availability of complete data during this first 30 day oversight period does not allow complete information in this area of the report, but will be provided in the next several reports.

II. Design

Routine refinement of design details were processed during the month of July. It appears that all documents are being submitted on time and as requested by either the owner or contractor.

III. Permits & Public Agencies

A high priority is focused on securing the Structural Permit. The Fire Inspector portion of that permit process is the final approval to be secured. General consensus is that it will be secured before any work needs to be stopped.

IV. Contracting and Procurement

Procurement

In mid July, UMC moved ahead with the purchase of med gas equipment for schedule reasons. Since the agreed to procedure for approvals was not followed, review of the actual equipment purchased and reaffirmation of the process to be followed in the future were discussed. 7/17/07 Only one piece of equipment in this purchase is in question. Turner, WRC, and HMC are to meet and review solution.

V. Construction

Schedule

In mid July, Turner is 3 weeks ahead of schedule.

7/18/07 Turner Note at weekly meeting, "If the structural permit which was scheduled for 7/15/07 is not received by 8/2/07, concrete work will be stopped. As mentioned above, general consensus by the team is that the permit will be secured before concrete work will have to be stopped.

VI. Financial Update

Overall, project costs are in line with the approved KC budget for the Shell and Core of the NJB building and the initial Server Room cost projection. TI activities are being scheduled between WRC and HMC. Significant design detail and associated cost estimating has not begun.

Two Change Orders were processed during July.

CO #2 – Server Room This CO Officially added the Server Room – Phase 2 to the contract @ \$7,092,735. (The first phase for Server Room, Design and Engineering @ \$142 k, was included in CO #1 as was a second transformer vault @ \$340k.)

CO #3 – Core & Shell Added panic stations in the Parking Garage levels of NJB. King County share of this cost was \$114,336.

Critical Issues

Other than the focus on securing the Steel permit, there are currently no critical issues.

STATUS / ISSUES	
NJB Building Construction (Issues to track)	
	Team embraced inclusion of product in concrete to improve waterproofing over Server area.
	Canopy fabric final selection pending
	Watch final details, specification, guage of material used for cap over stone at roof
	UMC moved ahead w/ med gas equipment without entire team sign off. Being resolved.
Harborview / Tenant Improvement Issues	
	Harborview staff are providing timely information as requested.
	
	
Issues Open and/or Under Investigation	
	Team to be present when top coat on deck is raked, concern it might be too rough, not
	
	
Schedule Status/Issues	
	As of mid July, overall construction was 3 weeks ahead of schedule.
	Elevator Submittals partial to keep going, 2nd submittal will be finishes.
	Elevator Companies in Seattle are behind with all construction projects, team doing what it
	Qwest indicated they are 6 months behind, team members following up, doing what it can.
	If structural permit not received by 8/2/07, concrete work may stop.
	Budget or Schedule at Risk
	Some Concern-Topic Being Reviewed
	Currently No Issue

GENERAL OBSERVATIONS

WR (Cindy) Does not want to save money in the area of air handling capacity (Good Call)
 WR concern alternates to Focus Micro (KC Vendor) equipment is not given consideration X
 Cindy used UMC premature purchase of equipment to confirm process for approval by team B4

CHART PENDING

COST SUMMARY		ORIG KC APPROVED BUDGET	CURRENT BUDGET THRU CO#3	FORCAST @ COMPLETION	COMMITMENTS	ACTUAL COST TO DATE	REMAINING * incomplete
SHELL AND CORE							
ARCH. & ENGINEERING		\$4,472,000			Unavailable to date		\$4,472,000
CONSTRUCTION		99,798,000			Unavailable to date		99,798,000
MISCELLANEOUS		1,634,000			Unavailable to date		1,634,000
CONTINGENCY		5,103,000			CO# 3	114,336	4,988,664
PROJECT ADMINISTRATION		6,705,000			Unavailable to date		6,705,000
SUB-TOTAL		\$117,712,000			Unavailable to date		\$117,597,664
TENANT IMPROVEMENTS							
TENANT IMPROVEMENT COST		\$47,423,000			Unavailable to date		\$47,423,000
TENANT DESIGN		11,500,000			Unavailable to date		11,500,000
SUB-TOTAL		\$58,923,000			Unavailable to date		\$58,923,000
SERVER ROOM = CO#1 & #2							
CONST./AE/WR		\$6,922,057	\$7,092,735		Unavailable to date		\$6,922,057
CONTINGENCY		\$346,103	\$221,103		Unavailable to date		
ESCALATION		389,856			Unavailable to date		389,856
SUB-TOTAL		\$7,658,016	\$7,313,838		Unavailable to date		\$7,311,913
PROJECT TOTAL		\$184,293,016					

SCHEDULE SUMMARY		PLAN START	PLAN FINISH	FORCAST @ COMPLETION	COMMITMENTS	FINISH VARIATION	% COMPLETE
PLANNING							
ENGINEERING							
CONSTRUCTION							

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