

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Guggenheim Hall Renovation – Forecasted Cost UpdateBACKGROUND:

Constructed in 1929, Guggenheim Hall occupies a central location on campus facing Frosh Pond. It currently houses the Department of Aeronautics and Astronautics, the Department of Applied Math and several general assignment classrooms including a major auditorium. The 56,200 gross square foot building has never had a significant renovation. This renovation will address seismic deficiencies, accessibility including providing an elevator, exterior shell renovation, upgrading all major building systems, asbestos abatement, and updates to the facility needed to improve instruction and research.

In May 2003 the Legislature appropriated \$3,312,000 for the Guggenheim Renovation predesign and design phases and the Board of Regents awarded a design contract to Bassetti Architects. In 2005 the Legislature appropriated an additional \$24,500,000 for construction; this was \$512,000 less than requested. The rationale was that the State would not fund surge costs. In response to this cut surge costs were eliminated from the project budget, as well as consultant fees associated with certification under the LEED program. Most of the construction costs associated with LEED certification had already been eliminated in value engineering. An additional \$456,374 in central funds was committed to restore to the scope of the renovation of the main auditorium.

In July 2004 the Board of Regents approved a budget request and final determination of this as a GC/CM project with a total project cost of \$28,143,000. In November of 2004 the Board of Regents approved the award of the GC/CM contract to Skanska USA.

Cost estimates received at the end of Schematic Design, in February 2005, indicated a Guaranteed Construction Cost (GCC) of approximately \$4.3 million over the original budget amount. This budget gap required the design team, Building Committee, and Oversight team to undertake an aggressive value engineering and scope reduction exercise in order to fit the project within the budget.

At the conclusion of the Design Development phase, the cost estimates indicated that escalation and market conditions in the Seattle area would again impact the project budget. In order to sign the GC/CM contract, an additional \$3,328,712 was committed from central funds to be used to cover increased costs due to escalation and market conditions. At the end of the subcontract bidding process in October 2006, any funds not required to cover the cost of the approved scope of work will be returned to central funds.

ENCLOSURE: Capital Projects Office Project Summary

VII. STANDING COMMITTEES

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Guggenheim Hall Renovation – Budget Increase (continued p. 2)

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Upon receipt of delegated authority, the University will increase the approved project budget to \$31,615,827.

ENCLOSURE: Capital Projects Office Project Summary

**UNIVERSITY OF WASHINGTON
CAPITAL PROJECTS OFFICE - SUMMARY PROJECT BUDGET
ALTERNATIVE PROCUREMENT (GC/CM OR D-B)**

PROJECT: **Guggenheim Hall Renovation**

Project Number: **10419**

Current Approved Budget	Forecast Cost at Completion
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BUDGET SUMMARY:

A. ACQUISITION	0	0
B. CONSULTANT SERVICES		
1. PREDESIGN	175,501	172,293
2. BASIC DESIGN SERVICES	1,541,673	1,567,782
3. EXTRA SERVICES/REIMBURSABLES	717,316	823,687
4. OTHER SERVICES	557,500	482,500
5. DESIGN SERVICES CONTINGENCY	566,575	424,544
TOTAL CONSULTANT SERVICES	3,558,565	3,470,806
C. PRIMARY CONSTRUCTION CONTRACTS		
1. MAX.ALLOW.CONST.COST (MACC)	14,992,467	17,860,449
2. GC/CM OR DB COSTS	2,666,400	3,100,591
3. SALES TAX ON CONSTRUCTION	1,553,980	1,844,572
GUARANTEED CONTRACT COST	19,212,847	22,805,612
4. CONSTRUCTION CONTINGENCY	2,698,644	2,485,122
5. SALES TAX ON CONTINGENCY	237,481	184,709
TOTAL CONSTRUCTION COSTS	22,148,972	25,475,443
D. EQUIPMENT	146,880	146,880
E. ARTWORK	74,962	74,962
F. OTHER COSTS	640,510	640,510
G. PROJECT ADMINISTRATION	1,717,226	1,807,226
H. RELATED PROJS/MITIGATION	0	0
TOTAL PROJECT BUDGET	28,287,115	31,615,827
SOURCE OF FUNDS:		
UW BUILDING ACCOUNT/BRF		
STATE GEN'L FUND GO BONDS/NOTES	27,812,000	27,812,000
UW NON-STATE REVENUE	475,115	3,803,827
NON-STATE REVENUE GRANT/GIFT		
TOTAL SOURCE OF FUNDS	27,812,000	31,615,827

F-12.1/205-06

5/18/2006

Updated 8 May 2006