VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

<u>UW Tower Data Center – Final Determination for General Contractor/Construction</u> <u>Manager Method of Contracting</u>

RECOMMENDED ACTION:

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the use of alternative public works procurement utilizing the General Contractor/Construction Manager (GC/CM) method of contracting be approved for the UW Tower Building C Data Center project; and that, pursuant to RCW 39.10, the President be delegated authority to make a final determination to use the GC/CM alternative procurement method for the UW Tower Data Center Project.

BACKGROUND:

The UW Tower property (formerly Safeco) is a 510,546 square foot high-rise office complex on the corner of NE 45th Street and Brooklyn Ave NE. The UW Tower is a 22-story office building that is directly connected to three low-rise four-story office buildings. This project will develop 38,000 square feet of the 102,800 square foot in low- rise Building C. The project is an interior renovation and utility upgrade for selected areas of Building C. Levels 1 and 2 and the basement of Building C will be demolished to the structure and new computer data center facilities will be installed.

Schedule:

Pre-design Phase Design Phase Construction Phase September 2006 to January 2007 June 2007 to January 2009 June 2008 to December 2009

Contracting Strategy:

The Capital Projects Office recommends using the alternate public works contracting procedure, General Contractor/Construction Manager (GC/CM), as authorized by RCW 39.10 for construction of this project. The project budget is larger than the \$10,000,000 minimum threshold. Project construction will commence after initial occupancy of the UW Tower property, which will require complex phasing and coordination for the safety of building occupants. Due to the limitation of working in the existing building, an accurate assessment of constructability issues by the GC/CM will be crucial to selection of the best design. Finally, a GC/CM's estimating expertise and knowledge of the current

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escalation and construction market conditions in the Seattle area will be required to maintain the budget.

The project budget of \$32,500,000 will be funded from three sources. The project pre-design and commitment of the design phase, funded with \$500,000 in local funds, was completed and submitted to the Governor's Office of Financial Management in January 2007, in support of the University of Washington's 2007-09 Capital Budget request. The 2007-09 state capital conference budget provides \$25,000,000 for Computing and Communications Upgrades/Data Center of which \$20,000,000 will be allocated to the Building C Data Center project, and the remaining \$5,000,000 will be used for connectivity improvements. The remaining \$12,000,000 will be provided through local revenue bonds paid by indirect cost recovery funds. The bond funds will help support development of data center capacity for research users.

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