

VII. STANDING COMMITTEES**B. Finance, Audit and Facilities Committee**UW Medical Center Expansion Project – Architect**RECOMMENDATION:**

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the President be delegated authority to award a contract for the design of the UW Medical Center Expansion Project to the second-ranked firm of NBBJ, subject to successful negotiation of an architectural contract. Should negotiations with NBBJ be unsuccessful, it is recommended that the design be awarded to the third-ranked firm of ZGF, subject to successful negotiation of an architectural contract.

BACKGROUND:

In May 2006, the Architectural Commission interviewed three finalist firms in a competition for the design of the UW Medical Center (UWMC) Expansion Project. The Commission considered all three firms to be highly qualified for the work. Noting that there was little basis to discern the relative rankings of the three firms, the Commission did determine that the firm of Anshen & Allen was the most highly qualified, followed in very close order by NBBJ as number two, and ZGF as number three.

In June 2006, the Capital Projects Office (CPO) entered into a professional services agreement with Anshen & Allen for pre-design of the project. The pre-design effort was suspended from November 2006 through February 2007, while the UWMC administration developed and analyzed financial models to determine if a project budget could be established to meet the cost estimate generated from the pre-design. Following an informational update to the Board of Regents in March 2007 and a funding commitment from UWMC, the administration authorized CPO to proceed with schematic design, with the understanding that formal Board of Regents approval of the project was still pending.

CPO and Anshen & Allen began architectural contract negotiations in late March 2007. Negotiations stalled when it became clear that the minimum design fee acceptable to Anshen & Allen would be far higher than the project budget for this effort and would, as a percentage of construction cost, have been substantially higher than the University has paid on any major capital project. Issues associated with changes in key Anshen & Allen staff assignments and team dynamics also remain unresolved. On May 11, 2007 CPO notified Anshen & Allen of its determination that contract negotiations could not be successful

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concluded. Pre-design work has been completed and CPO is in the process of closing out the professional services agreement with Anshen & Allen.

Pending approval of the Board of Regents, it is the intent of CPO to enter into an architectural contract with NBBJ and proceed immediately thereafter with schematic design. NBBJ is a Seattle-based, internationally renowned architectural firm with strong expertise in health care facility design. The University has successfully collaborated with NBBJ on its two most recent major hospital projects – the UWMC Surgery Pavilion and the Harborview Medical Center Bond Program. Given this previous experience with NBBJ, it is expected that a highly competent design team will be assigned and that the negotiated design services fee will be within the budget established for this project. Should negotiations with NBBJ be unsuccessful, it would be the intent of CPO to proceed to negotiations with ZGF, a firm with very strong credentials in the design of health care facilities.