

VII. STANDING COMMITTEES**B. Finance, Audit and Facilities Committee**Denny Hall Restoration Project: Project PresentationRECOMMENDED ACTION:

It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the Phase 1 project budget be established at \$56,915,000; that the use of alternative public works utilizing the General Contractor/Construction Manager (GC/CM) method of contracting be approved; and that the President be delegated authority to award construction contracts, subject to no significant change in the scope, the forecast cost being within 10% of the budget and funding being in place.

Project Description

Constructed in 1895, Denny Hall is the oldest building on the Seattle campus and is listed in the Washington State Heritage Register. Denny Hall has been prioritized as part of the University's ongoing "Restoring the Core" renovation program to restore and modernize buildings in greatest need of renovation. The last major structural and interior renovation of this hundred year old building occurred 50 years ago in 1956.

The 89,745 gross square foot facility currently houses offices and programs for the College of Arts and Sciences, including the Departments of Anthropology, Classics, Germanics, Near Eastern Languages & Civilization as well as the College's Language Learning Center. Denny also houses 12,000 square feet of general assignment classrooms totaling 765 seats.

A full major building renovation is proposed to correct seismic, structural, and life/safety code deficiencies. In accordance with the requirements of the state of Washington, the project will be designed to achieve Leadership in Energy and Environmental Design (LEED) Silver certification or higher.

Previous Action

At the May 2007 Board of Regents meeting, the President was delegated authority to award design contracts to Thomas Hacker Architects for the Denny Hall Restoration project.

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Scope of the Project

The planned restoration scope will address structural, seismic, life safety, hazardous materials, accessibility and other code deficiencies and will improve the building enclosure (windows and masonry systems) to ensure the long-term preservation of the facility and safety of its occupants. The project will also upgrade all major building systems including mechanical, fire protection, and electrical systems to improve performance and energy efficiency, and upgrade communications and interior finish systems to meet modern classroom and academic program needs. The University has evaluated other alternatives and determined that a total building renovation is the most sensible and cost effective alternative for preserving and restoring Denny Hall to a safe and useful condition.

Schedule

Architect Selection	May 2007
Pre-design	July 2007 through December 2007
Design	April 2008 through November 2009
Construction	December 2009 to July 2011
Occupancy and Use	September 2011

Contracting Strategy

The recommendation of the Capital Projects Office is to use the alternate public works contracting procedure, General Contractor/Construction Manager (GC/CM), authorized by RCW 39.10 for construction of this project. The use of a GC/CM during design has been absolutely critical to the success of our recent Restore the Core projects such as Johnson Hall, Guggenheim Hall and Architecture Hall. During design the GC/CM has been able to provide detailed construction scheduling, input into design constructability issues, coordination of construction documents, determining construction logistics and needed lay-down areas, providing detailed cost estimates and investigation of existing construction as-built conditions. To help meet the overall project schedule, the GC/CM is able to bid out and start construction on early work packages before the construction documents are 100% complete if there are compelling reasons to do so. In today's rapidly escalating construction costs market, the GC/CM has been integral in developing cost savings incrementally rather than waiting for a total construction bid number. The intent is to have a GC/CM chosen and under contract for preconstruction services by the completion of the schematic design phase.

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Significant Risks or Opportunities

An ongoing risk is the current climate of extraordinary escalation and “market conditions” in the Seattle commercial building marketplace that reflects an extremely busy construction industry and a limited pool of available equipment and skilled labor.

Another challenge is bringing the building into compliance with modern building codes and accessibility standards, while minimizing reduction in assignable area, improving building space efficiency and restoring Denny’s historic amenities. Fitting the programs of all the existing building occupants back into the reduced assignable area is difficult, given their differing new and future space needs due to growth.

A major opportunity is to provide formal and informal interaction spaces that promote synergy and collegiate interaction among faculty and students while recalling Denny’s original interior organization.

Denny offers many opportunities to incorporate sustainable design features to achieve a more efficient and sustainable building as mandated by the Washington State legislature.

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<u>Project Budget</u>	<u>Total Escalated Cost*</u>	<u>% of TPC</u>
Pre-Schematic Design Services	\$268,323	0.47%
A/E Basic Design Services	\$2,011,930	3.54%
Extra Services	\$1,035,870	1.82%
Other Services	\$1,749,972	3.07%
Design Services Contingency	\$738,214	1.30%
Consultant Services	\$5,804,308	10.20%
GC/CM Construction Cost	\$36,629,984	64.36%
Other Contracts	\$0	0%
Construction Contingencies	\$4,783,856	8.40%
Sales Tax	\$3,685,832	6.48%
Construction	\$45,099,672	79.24%
Equipment	\$2,191,235	3.85%
Artwork	\$146,611	0.26%
Other costs	\$735,949	1.29%
Project Management	\$2,937,225	5.16%
Other	\$6,011,020	10.56%
Total Project Cost (TPC)*	\$56,915,000	100.00%
<u>Included in Above:</u>		
Escalation through September 2010	\$6,626,000	11.64%
<u>Source of Funds</u>		
State Funds	\$56,915,000	100.00%
Total	\$56,915,000	100.00%

* Escalated to construction midpoint (Sep '10)