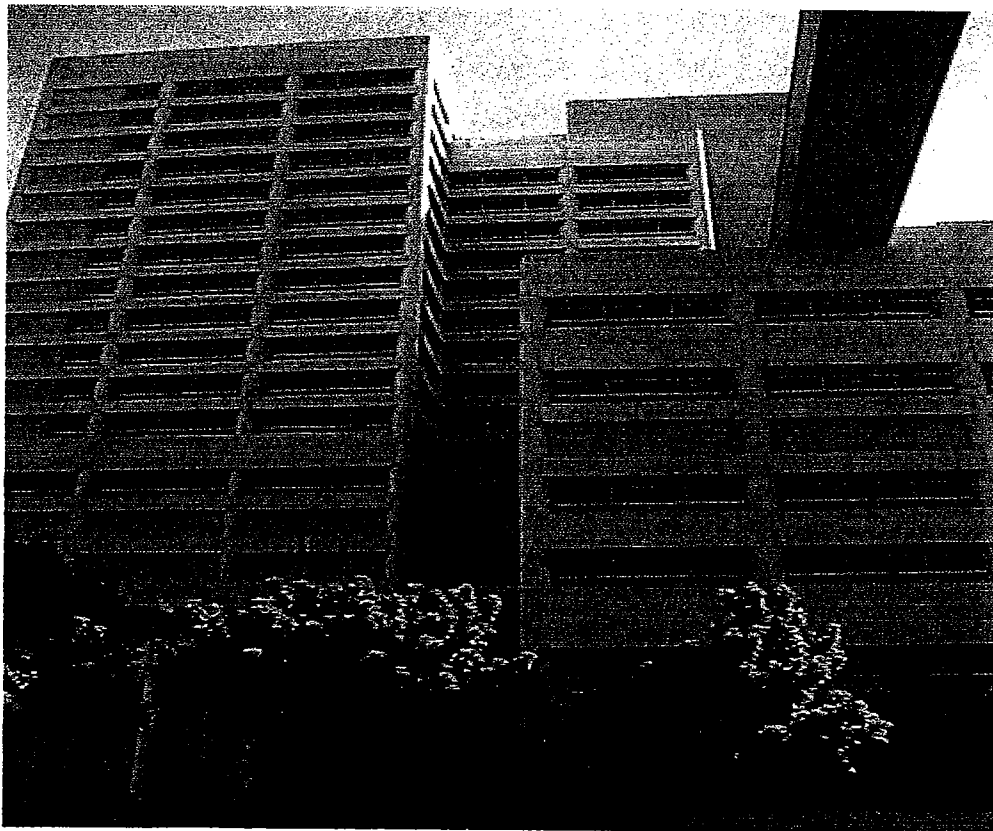


KING COUNTY
MONTHLY REPORT
ON CONSTRUCTION

MARCH 2005



KING COUNTY CORRECTIONAL FACILITY
INTEGRATED SECURITY PROJECT

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SECTION 1 – EXECUTIVE SUMMARY

This monthly report covers the status of the KCCF/ISP for the month of March 2005.

SCHEDULE

The Notice-to-Proceed date was September 7, 2004 with Substantial Completion scheduled for September 7, 2006. There have been no adjustments made to the Contract duration since the Notice-to-Proceed was issued, although the County continues to evaluate schedule information (as it is submitted) from the Contractor in support of a 4-month delay claim. The Contractor believes this time extension is justified as the result of design revisions to the new Central Control Room (CCR) and unspecified delays in the Security Electronics engineering submittal and review process. The Contractor has submitted two iterations of their “impact schedule” to support their claim. Neither of these schedules have fully supported their position, and further refinement is still pending from the Contractor. Until this process is complete, no additional contract time will be granted.

However, it should be noted that there is very little likelihood the project will be complete within the current contract schedule. The Security Electronics design work is behind schedule and there are few mitigation alternatives available to “catch it up.” The current schedule analysis is focused on determining the Contractor’s financial entitlement to costs associated with the delay and resolving the actual time extension the County can anticipate. (See Section 2 for further details on this subject).

SUBMITTALS

There were only five product submittal packages in March, all related to product data for elements of the Electronic Security System - Division 17.

REQUESTS FOR INFORMATION (RFIs)

To date, 273 Requests for Information (RFIs) have been received on the project. The pace of RFI production continued to be relatively low this month. This is the result of the project moving further into construction and the continued refinement of the Security Electronics engineering functions. The design team response time on RFIs continues to be very good.

COST/BUDGET

The cost of existing Change Proposals and Field Directives issued to the Contractor for pricing is currently projected to total approximately \$585,000. The Contractor started submitting final pricing on these changes this month. None of the causes for these changes are in dispute and once the costs are fully negotiated in the coming weeks, they will be converted to Contract Change Orders. In addition to these costs, the Contractor has also presented a claim for \$279,488 related to extended overhead and direct costs associated with the 4-month schedule delay. These costs are in dispute and the County’s level of responsibility for additional costs for this claim will be proportional to the amount of time for which their actions are shown to have contributed to the delay. All of the current change orders and reserves for the schedule delay are reflected in the project contingency update included as a part of the Section 4 cost summary information.

PLEASE NOTE ALSO that the historical budgeting and accounting error which was discovered last month in the project budget is still being thoroughly analyzed by FMD Staff, URS, and OMB. It does appear that this error will result in a budget shortfall to the ISP in the range of \$1.8 M. This error is specifically related to a portion of the Jail Health Services project funding (\$1,823,000) that should have been (but wasn’t) isolated from other ISP/JHS sources in prior funding requests to accommodate future elements of the JHS improvements. The FMD project team made an incorrect calculation of the needed increased funding at the time of the most recent supplemental appropriation request. That calculation of the estimated costs to complete the project did not account for the \$1.8 million of Jail Health construction costs. Recently, it has come to light that the scope of construction



included in the supplemental request did not include the Jail Health improvements. Accordingly, this resulted in an incorrect (lower-than-necessary) funding request. Until the full impact of this error can be assessed, no financial adjustments have been made to the current budget summary to account for its impact.

As discussed in prior legislative transmittals regarding the ISP/JHS projects, it is envisioned that the scope of JHS improvements will result in a construction project in excess of the currently available appropriation authority of \$1.8million. This additional funding will be included in the 2006 budget request. This will correct the \$1.8million error in the ISP as well as increase the appropriation for JHS.

PROJECT SEQUENCING

The first phase of the work which focused on constructing a new Central Control Room (CCR) and installing the backbone vertical risers for the new electronic security system is progressing well. The Completion Milestone for the CCR and vertical riser activities (originally scheduled for July 5, 2005) will not be known until the previously mentioned schedule modification is resolved. The general construction work associated with these components (construction of the new CCR and installation of the conduit) has not been challenged by the requested time extension and is nearly complete. However, installation of the Security Electronics equipment within the new Central Control Room will be affected. The second phase of work will occur incrementally on each inmate floor once the system cutover to the new CCR is complete. The floor-by-floor work is scheduled to begin on the 11th Floor and proceed downward through the facility. The elevator upgrade scope will be occurring simultaneous with the electronic security upgrades throughout the course of the project.

SECTION 2 – CRITICAL ISSUES

Critical issues are defined as issues that had, or may likely have, an impact on project cost, or prevent the schedule from moving forward. The following items are considered critical to the existing budget and schedule as of March 31, 2005:

- Resolution of potential time impacts associated with revised CCR size, ITR implementation, and Electronic Security System Engineering;
- Resolution of the previously mentioned budget reconciliation.

The CCR size revision was necessitated because the combination of security system components ultimately selected for the project were slightly larger than the available space in the room as originally designed. Completion of the ITR Change Order process and the ongoing Electronic Security System Engineering have combined to result in a claim of additional time of approximately four months by the contractor. Assessment and resolution of the potential schedule impact is continuing as a part of the overall schedule evaluation.

SECTION 3 – SCHEDULE

The Contract time is 730 calendar days; the Notice to Proceed was issued September 7, 2004. Based on the Notice to Proceed date, the current contract substantial completion date is September 7, 2006. The Contractor has completed his first seven months of construction under this baseline schedule and maintained satisfactory progress on all work except for the Security Electronics design and engineering. As noted above, the Contractor has submitted a schedule update indicating a four-month delay in the project and submitted two iterations of their “impact schedule” in an effort to support their position. URS has evaluated the schedule information submitted thus far without finding sufficient evidence to support the full request. The “impact schedules” also generated a series of logic questions that remain to be clarified by the Contractor. Their first version clearly failed to meet the standard necessary for such a claim. The second version was more sound technically, but still failed to definitively delineate the amount of County exposure related to the claimed delay, if any.

KING COUNTY CORRECTIONAL FACILITY**INTEGRATED SECURITY PROJECT (ISP)****MONTHLY REPORT – MARCH 2005**

However, it should be noted that there is very little likelihood the project will be completed within the current contract schedule. The Security Electronics design work is behind schedule and there are few mitigation alternatives available to “catch it up.” There are still several design activities remaining that will require the amount of time identified by the Contractor in the impact schedules to complete the work. There are very few options available to mitigate the schedule slippage, but the project team is working on alternatives for combining factory testing, etc. to allow cutover of more critical components in the new system simultaneously (rather than sequentially) in the facility. If successful, this implementation can serve to lessen the impact of the delay on system operations for DAJD. The Contractor is also working proactively to maintain progress on the other elements of work and minimize the coincidental impacts associated with the delay in the Security Electronics process.

In light of the above, it is important to note that the current schedule analysis process is focused on determining (and minimizing) the Contractor’s financial “entitlement” to costs associated with the delay and resolving the actual time extension the County can anticipate. Thus far, the current schedule slippage has not resulted in any significant impacts to the DAJD budget for Security Escorts as most of the budgeted hours to support the activities in question are merely “delayed.” Once the overall schedule impact is determined, the project could be impacted by other DAJD operational costs associated with a longer construction duration in the facility. The project could also see other incremental cost impacts for extended consultant services and the like as a result of the extended schedule.

A summary schedule of project milestones is provided below. Please note that multiple project activities create the critical path leading to each of these milestones and all of them must be achieved in order for this schedule to be met. These milestones will demonstrate visible progress as well as incremental schedule measurement.

Project Milestone Events

Milestone Activity	Scheduled Milestone Date	Actual or Anticipated Event(s) Modifying Date	Revised Milestone Date
Gen. Contractor Job Start	09.09.04	None at this time	09.09.04
New CCR Cutover	03.03.05	Potential re-sequencing of work elements.	PENDING
FAT 1 Testing	03.03.05	See above.	PENDING
Inmates Off 11 th Floor	03.04.05	See above.	PENDING
Intercom Acceptance	04.04.05	See above.	PENDING
FAT 2 Testing	05.24.05	See above.	PENDING
CCR Cutover	07.05.05		PENDING
Complete New ITR	07.15.05		PENDING
11 th Floor Acceptance	07.18.05		PENDING
10 th Floor Acceptance	10.13.05		PENDING
9 th Floor Acceptance	01.17.06		PENDING
8 th Floor Acceptance	04.18.06		PENDING
7 th Floor Acceptance	07.26.06		PENDING
Project Substantial Completion	09.07.06		PENDING*



SECTION 4 – COST REPORT

The current Budget Status for the ISP project is as summarized in the following table. This summary represents the combined status of the ISP Project (including an incremental portion of the JHS scope), the Expanded ITR scope, and the accelerated Major Maintenance Projects identified in the February 2005 Monthly Report:

ISP Budget Status Summary

Budget Item	Budget	Forecast	Budget Variance Over/(Under)	Comments
Design & Admin.	\$ 3,196,887	\$ 3,260,449	\$ 63,562	
Construction	\$ 18,683,663	\$ 20,238,190	\$ 1,554,527	Includes reserves for CO's and Schedule Delay Impact
Contingency	\$ 2,019,995	\$ 942,694	\$ (1,077,301)	Reflects contingency distribution for CO's and Schedule Delay Impact
Art	\$ 228,150	\$ 228,150	\$ -	
Subtotal	\$ 24,128,695	\$ 24,669,483	\$ 540,788	
DAJD Ops	\$ 4,340,816	\$ 4,340,816	\$ -	
JH Ops	\$ 511,862	\$ 511,862	\$ -	
Subtotal	\$ 28,981,373	\$ 29,522,161	\$ 540,788	
M & R Scope	\$ 558,305		\$ (558,305)	Accelerated projects included with ITR
Total	\$ 29,539,678	\$ 29,522,161	\$ (17,517)	

As noted in the table, reserves have been set aside from contingency to cover currently pending Change Orders and the current schedule delay impacts identified by the Contractor. This summary does **not** factor impacts or attempt to reconcile the recently discovered historical accounting error in the project budgeting process. Until such time as the full assessment of this condition is complete and a one-time correction is made, the above summary reflects the status of the project financials since the start of construction.

In addition, there are two major elements of new work that are anticipated to be added to the project via Change Order in the future. As listed below, Council approved these upgrades as a component of the Major Maintenance Reserve Funding (MMRF) in previous budget cycles:

1. KCCF Shower Replacement \$ 1,039,213
2. KCCF Hot Water Piping Upgrade \$ 693,173

The Shower Replacement Project and the Hot Water Piping Upgrades will be implemented with the ISP scope to minimize repeated disruptions and/or take advantage of the opportunity of performing the demolition and reconstruction work concurrently in vacated areas of the facility. If added, the costs for the full scope of Jail Health revisions and the shower and piping work will be tracked separately.

Jail Escort hours to date remained on target as budgeted. The total number of escort hours used in March was 1443, bringing the cumulative total for the project to approximately 6515 hours. All of the hours utilized to date



have been within the budgeted allowance for each activity. Based upon categories of work which are now complete, the escort hours are 185 hours less than budgeted for the planned work activities they have supported.

SECTION 5 – CONSTRUCTION REPORT/CURRENT MONTH ACTIVITIES

Work In Progress:

- Division 17, Electronic Security System Engineering and Software Development continued throughout the reporting period.
- West Wing Construction
 - Selective Demolition
 - CMU reconstruction, various locations
 - New wall framing
 - Conduit and wiring, new/replacement devices and lighting controls
 - Construction of new Exam Rooms
 - Plumbing rough-in
 - ITR Phase 1 construction started
- CCR
 - Raised floor complete
 - Ceiling complete
 - Painting complete
- Layout of new exterior HVAC unit pads serving new CCR is in progress

Disputes Resolution Board (DRB): The DRB (John Byer; Shawna Ryan, and Jim Donaldson met with the Project Team this period and was briefed on the pending/ongoing schedule delay on an informal basis. They have not been asked to officially intervene on this issue, although the monthly update will serve to expedite their input if the issue is not resolved at the working project level. Ongoing monthly project review and site visit sessions have been scheduled for the balance of the project.

SECTION 6 – LOOK AHEAD

Summary of the notable activities planned for the next period (April 2005).

- Continued, Shop Drawing and submittal review
- Continued, Division 17 engineering and software development
- Division 17, Electronic Security on-site to begin initial phases of installation
- Skybridge horizontal electrical routes, wire pull, camera work and Court Detail connections
- Continuation of West Wing work
- Continuation of temporary ITR construction