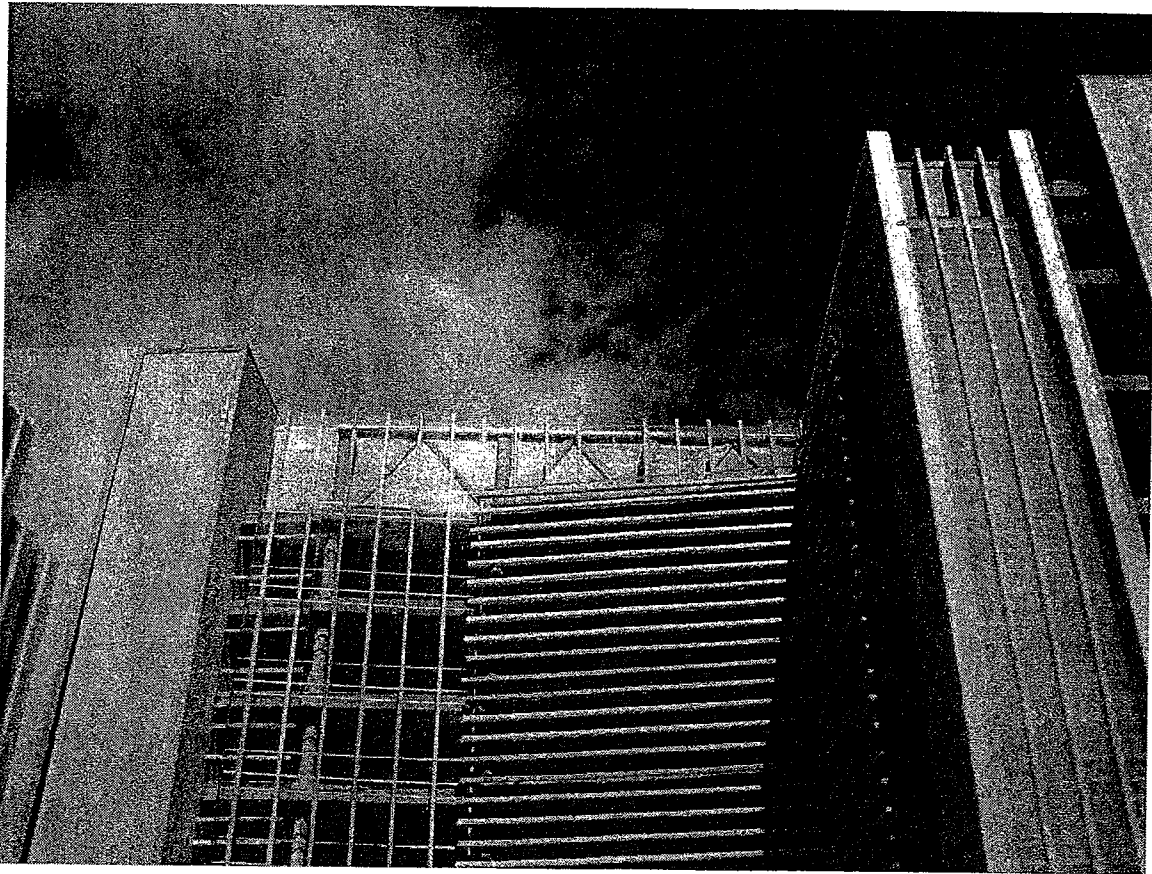


Attachment 5

Harborview Medical Center Bond Project

Monthly Report June 2003

Seismic Upgrades and Facility Improvements



King County

HARBORVIEW
MEDICAL
CENTER 



"A Partnership... Building for the Future"

Harborview Medical Center Bond Project
Monthly Report – June 2003

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Harborview Medical Center Bond Project
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Background

Harborview Medical Center is a comprehensive health care facility owned by King County Government, governed by a County-appointed Board of Trustees and managed by the University of Washington. Its primary mission is to provide high quality health care to the residents of this region, in particular to the indigent and underserved residents of King County. Serving a four-state region, Harborview is home to the nationally renowned level-one trauma center and Medic One emergency response unit. In addition, Harborview leads the region with medical centers of excellence in the areas of Neuroscience, Burn, AIDS/STD, Orthopedics and Trauma. The Medical Center combines state-of-the-art emergency services with general medicine and specialty clinics.

Project Scope

The goals of the Harborview Bond project are to remedy significant seismic deficiencies on the campus and to address the need for expanded in-patient bed capacity.

Key Features

- Seismic stabilization of the East wing inpatient facility.
- Elimination of two older buildings due to seismic risks.
- Construction of new facilities to house displaced functions.
- Expansion of critical care capacity.
- Additional Parking.

Project Budget

To fund the Harborview Bond program, King County authorized a special election and received voter approval for \$193 million. The voter-approved bond funds combined with interest earnings and contributions from Harborview reserves bring the total project budget estimate to \$263 million.

<u>Funding</u>	<u>Dollars</u>
Bond proceeds	193,100,000
Interest Income	14,143,380
HMC Contributions	<u>55,987,168</u>
Total	263,230,548

Project Schedule

Project development activities are scheduled to extend through the year 2008.

June 2003 Progress Report and Design Status

- The project continues on schedule. The Architect has completed schematic programming and has obtained signed approvals from all users for the floor plan layouts. The project team completed an intermediate (50%) Schematic Design (SD) review. Drawings and documents are now being coordinated with the engineers for the forthcoming SD submission.
- Exterior Design Concepts continue to be refined in response to input.
- Coordination meetings continue with HMC, UWCPO and outside agencies.
- The University of Washington's Capital Projects Office (UWCPO) in partnership with King County sponsored a very positive LEED Eco-Charrette to evaluate the prospects for environmentally sensitive design features. The work session was attended by key sub-consultants and representatives from the University, Harborview, the City and County. The ensuing report is being assessed and recommendations being developed for next steps.
- A successful Partnering Session was completed this month with representatives from the full design team, including King County, Turner Construction Company, NBBJ (with primary sub-consultants), UWCPO and UW / HMC Engineering. The partnering session is intended to foster a team approach and create a common understanding of roles and responsibilities. It facilitates the development of processes for timely decision-making and problem-solving.
- Environmental/Geotechnical Consultant started the last five borings to determine the boundary of low-level soils contamination on the 9th and Jefferson site. After providing their final report, they will work with King County, NBBJ, Turner Construction Company and UWCPO to develop a cost effective plan for Department of Ecology.

Snapshot of Critical Issues

○ **Program Scope Expansion**

The proposed scope increase has been reviewed and endorsed by the Board of Trustees, the Bond Oversight Committee and the independent project monitoring consultant, Vanir. The proposal is to add one floor of additional parking to the Ninth and Jefferson garage and two shelled floors to the Ninth and Jefferson Building (NJB). This would add approximately 150 cars to the planned garage resulting in approximately 630 total stalls; and an additional 50,000 square feet of building, bringing the total to approximately 190,000 square feet. The revised project continues to meet the intent of the Major Institution Master Plan, Environmental Impact Statement and the voter approved bond.

Schedule, Scope and Budget Impacts

- UWCPO, Turner Construction Company and NBBJ revised the cost, schedule, and cash flow for the additional level of parking and two floors in the NJB. The total cost of such additions, is estimated at \$20.1 million. A proposal for the tenant improvements estimated at \$9 million will be forwarded to the Council in September 2003 after further refinement. The team is evaluating changes to the construction sequence as a means of minimizing time impacts.

○ **King County Legislation**

An ordinance requesting full appropriation of the remaining bond funds; approximately \$12.5 million will be amended to include provisions for the revised scope \$20.1 million. This legislative packet is scheduled for a King County Council hearing next month. Council approval of the new work is required prior to proceeding.

○ **Housing Replacement**

The Facilities Committee of the Board of Trustees and the Oversight Committee approved an alternative housing mitigation plan and budget. As a result, Harborview Medical Center has prepared a request to the City of Seattle DCLU for a Minor Amendment to the MIMP. The request amends some of the provisions in the original criterion to accommodate a new housing development plan and budget allocation. In summary, the revised plan would require the project to contribute \$1.5 million to support a low-income senior housing development, planned for First Hill. If approved by the City, the plan will (1) fully satisfy the housing mitigation requirements; and (2) will allow the construction schedule to proceed unhindered. Redistribution of project funds needed to meet the budget request will require county council approval.

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Project Budgets

<u>Project 1</u> - Ninth & Jefferson Building (NJB) <i>Parking and 2-floor Addition</i>	\$87,657,000 <i>\$20,100,000</i>
<u>Project 2</u> - Inpatient Expansion Building (IEB) & Seismic Upgrade	\$151,021,000
<u>Project 3</u> - Proposed Demolition of Harborview Hall & East Clinic (South Wing)	\$11,290,000
Pre-design/Appropriations to Date	\$8,398,576
1% for Art and Owner's Administration	\$3,325,424
Project Savings Reserve Account	<u>\$1,508,000</u>
Total	\$263,200,000
<i>Proposed Revised Budget</i>	<i>\$283,300,000</i>

Project Descriptions

Project 1: Ninth & Jefferson Building (NJB)

- New construction of a multi-purpose facility to house specialized services such as the King County Medical Examiner (KCME), laboratories, Involuntary Treatment Act (ITA) Courtroom, retail, building lobby, and four floors of underground parking. *(Proposed revision: one additional floor of parking and 2 additional shell floors)*

Project 2: Inpatient Expansion Building (IEB) & Seismic Upgrade

- Seismic improvements to the North Wing trauma center tower. These improvements will meet FEMA Immediate Occupancy after a code level seismic event which exceeds the current code of seismic design for hospitals. New construction of an inpatient wing, adjoined to the existing facility by a bridge building.

Project 3: Proposed Demolitions of Harborview Hall & East Clinic (South Wing)

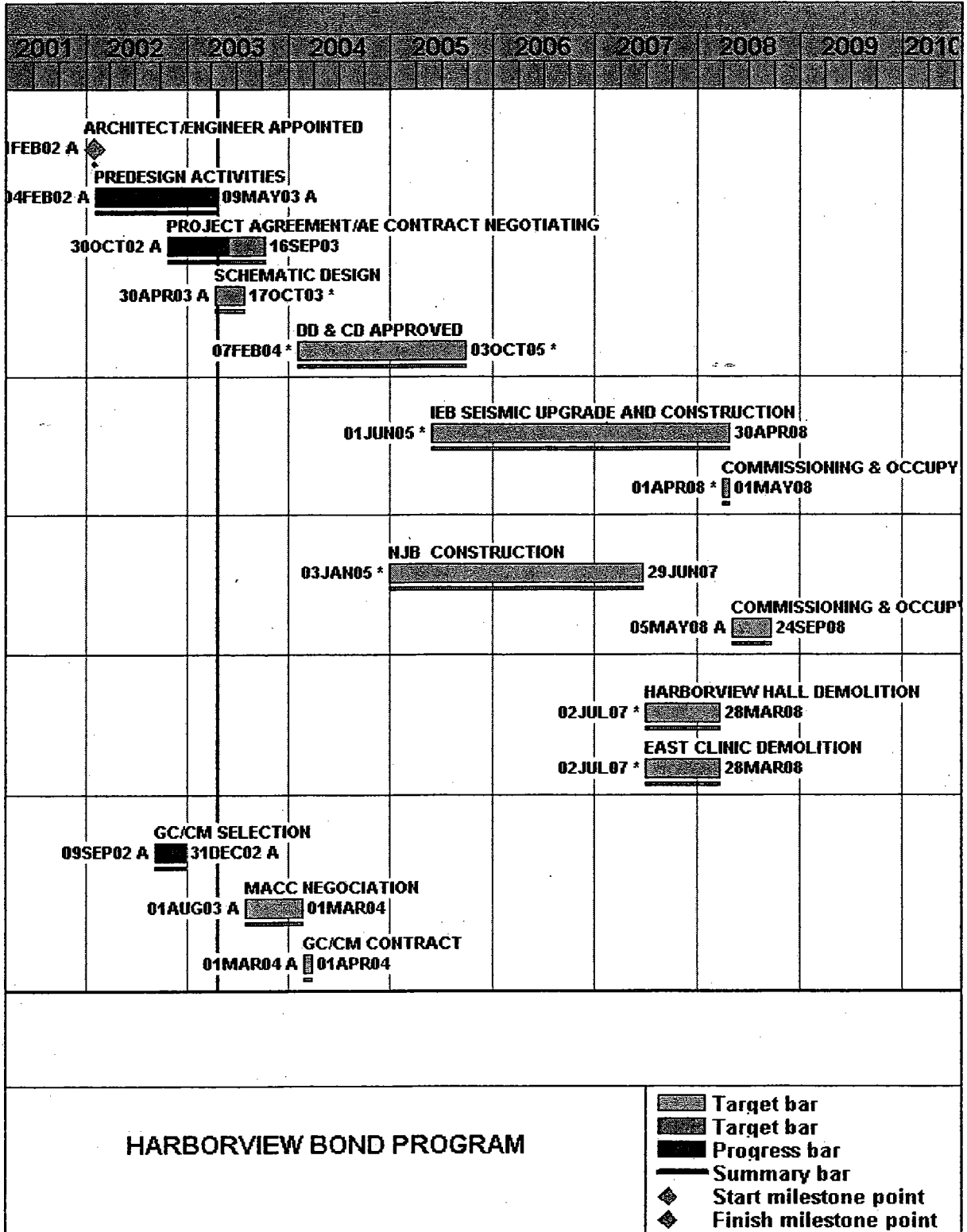
- Demolition of the seismically unsound East Clinic, and potential demolition of Harborview Hall.

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Harborview Bond Project Financial Activity

Harborview 2000 Adopted Bond Budget		
	Funding	Dollars
	Bond proceeds	\$193,100,000
	Interest Income	\$14,143,380
	HMC Contributions	\$55,987,168
	Total	\$263,230,548
HMC Bond Cash Status As of May 31, 2003		
	Bonds Issues 2001	\$29,130,000
	Less: Original Issue Discount	(\$80,511)
	Less Bond Issuance Costs	(\$307,334)
	Net Bond Proceeds	\$28,742,155
	Total Interest Income thru April 30, 2003	
	Interest Income Allocated to Arbitrage	8,566
	Interest Income Available to Project	\$2,741,384
	Average Interest Rate Earned to Date	4.02%
	Interest Rate Earned for Current Month	2.48%
	Total Expenses Paid thru March 31, 2003	
	King County / Other Project Expenses	(\$576,852)
	University of Washington - Project Expenses	(\$4,970,516)
	Harborview Medical Center Expenses	
	Unexpended Bond Funds	\$25,936,171
HMC Bond Appropriation Status As of May 31, 2003		
	Ordinance Number	
	Original Appropriation	14178 \$176,308
	2001 Supplemental	14232 \$75,000
	2002 Six-month Start-up budget	\$129,134
	Pre-Design Budget	14293 \$4,014,134
	Land and Housing Mitigation	14293 \$2,000,000
	2003 Program/Partial SD Phase	14517 \$6,204,000
	Total Appropriations to Date	\$12,598,576

PROJECT SCHEDULE / GANNT CHART



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Look ahead:

- Amendments to the program scope of work for parking and additional floors in the NJB will continue to proceed through the legislative process.
- Program definition and tenant improvement costs for the 2 additional NJB floors will be developed by HMC and forwarded to the County for review and approval.

Required Legislative/Policy Actions

Over the coming year, the following legislative actions will be required:

- | | |
|--|-------------------------------|
| ○ Approval of Scope Amendments to NJB | July 2003 |
| ○ Appropriation of remaining project funds | July 2003 |
| ○ Approval of an Alternative Housing Mitigation Plan | July 2003 |
| ○ City MIMP Amendment for Housing | Summer 2003 |
| ○ NJB Tenant Improvement plan | September 2003 |
| ○ Harborview Hall, Landmark Review | Winter 2004 (<i>begins</i>) |
| ○ Bond Sale | March 2004 |
| ○ Appropriation – additional funds | March 2004 |

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ADDENDUM

PROJECT CHRONOLOGY

- 7/2000 King County Council authorizes a ballot measure for voter-approved bonds to support the Harborview Project
- 8/2000 City of Seattle City Council Adopted Harborview Medical Center Final MIMP Subject to Modifications and Conditions
- 9/2000 King County Voter Approved Bond for \$193 million
- 2/2001 Petition for Street Vacation submitted
- 2/2001 Connecting the Visions, Public Benefits Charrettes for Street Vacation
- 3/2001 Petition for Alley Vacation submitted
- 4/2001 Design Commission Recommends Conceptual Approval of the Aerial Vacation of 9th and the Alley Vacation Linking James and Jefferson Street
- 6/2001 Program Management Plan by JE Jacobs Facilities completed
- 12/2001 Request for Qualifications Published for Harborview Medical Center Bond Program
- 1/2002 Selection of NBBJ for Harborview Bond Program Architectural Services
- 3/2002 King County Council approves a Definitive Agreement designating UW CPO as Project Manager. They also approve funding for Predesign and programming
- 3//2002 UW Board of Regents approves Definitive Agreement
- 4/2002 Project Labor Agreement was recommended by King County Council
- 4/2002 Oversight Committee held first meeting
- 5/2002 King Country selects consultant for housing replacement design
- 5/2002 Citizens Advisory Committee meeting was held to discuss new massing options for clinics building and Opus
- 6/2002 Oversight Committee approves the PLA with the 9 guiding principles
- 7/2002 A Squire Park Community Meeting was held to discuss the housing location
- 7/2002 The County Council approves the GC/CM approach via ordinance
- 9/2002 Another Community Meeting was held to begin DYS master site plan
- 10/2002 Full County Council approval of the 401 Broadway Lease
- 10/2002 Bond Oversight approval of the independent project monitoring consultant
- 10/2002 GC/CM interviews held
- 11/2002 DBE Program reviewed and approved for inclusion into the bond project
- 11/2002 401 Broadway Ribbon Cutting Ceremony
- 11/2002 Pre-design work concluded
- 11/2002 County Council approves "Bridge" funding
- 12/2002 GC/CM Contractor selected
- 12/2002 Design Program Phase begins
- 12/2002 King County Arts Commission convenes a jury to select project artists
- 01/2003 Contractor begins independent analysis of the cost estimate
- 01/2003 City Council Committee hearing on aerial vacation
- 01/2003 Independent Audit consultant conducts a Phase I project review
- 02/2003 Oversight Committee Approves the Carbon Fiber Wrap Technology
- 02/2003 A plan for pursuing LEEDS/Building Sustainability goals was approved
- 02/2003 A public hearing on the aerial vacation was held at the City Council
- 03/2003 Oversight Committee approves the Program Plan
- 03/2003 Full Board of Trustees approves the Program Plan
- 03/2003 Seattle City Council approves the Aerial Vacation
- 04/2003 King County Council Approves the Bond Program Scope, Schedule and Budget
- 04/2003 Schematic Design Phase Begins
- 04/2003 Citizens Advisory Committee reviews the exterior design concepts and streetscapes.
- 05/2003 Proposed project amendment to create add'l floors and parking capacity in the NJB
- 05/2003 Agreement with the City regarding alternative housing replacement plan.
- 06/2003 LEED Charrette
- 06/2003 Community Council presentation on exterior façade and building massing