VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority

Pursuant to the Standing Orders of the Board of Regents, Delegation of Authority, and to the delegation of authority from the President of the University to the Senior Vice President in Administrative Order No. 1, to take action for projects or contracts that exceed $1,000,000 in value or cost but are less than $5,000,000, the Administration may approve and execute all instruments.

REPORT OF ACTIONS TAKEN UNDER GENERAL DELEGATED AUTHORITY – CAPITAL PROJECT BUDGETS

1. UWMC Fire Alarm Replacement, Project No. 201412
Action Reported: Delegate Award of Construction Contract

On November 17, 2009, a construction contract was awarded to Valley Electric Co. of Mount Vernon, Inc. in the amount of $1,357,905 for Phase II of the UWMC Fire Alarm Replacement Project No. 201412. Five bids were received; the highest bid was $1,857,000. The budgeted construction cost was $1,738,000.

Valley Electric is a full service electrical construction company based in Everett, WA. The company has experience as a prime contractor and subcontractor with a wide variety of project types for private and public owners. Valley Electric has worked on many University of Washington projects, including UW Tower Data Center, UW Libraries Remote Shelving at Sand Point, Bagley 95 Laser Lab, and numerous projects at the Medical Center.

This project designs and replaces the existing fire alarm system consisting of six loops currently protecting the entire University of Washington Medical Center, with the exception of the Surgery Pavilion. Also included are Wings AA, BB, and RR of the Health Sciences Center. As funding is made available, the project will install a fully addressable fire alarm system that is fully integrated with the existing fire alarm system components and building infrastructure (HVAC, elevators, etc.) systems. Phase I, which has been completed, consisted of the complete design of the entire replacement system and the installation of two of the loops. This construction contract is for Phase II which will replace the last four loops.

Construction activities for Phase II began in December, 2009 with completion anticipated in August, 2010.

The project budget is $3,940,000. Funding of $2,747,500 is provided by the University of Washington Medical Center, and the remaining $1,192,500 is provided by capital safety budget funds through Environmental Health and

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 2)

Safety. Budget and forecasts below include both Phase I and Phase II costs. Due to favorable bid results, this project is now being forecasted at a savings of $355,000.

Budget Summary:	Current Apprv'd Budget	Forecast Cost At Completion
Total Consultant Svcs	$455,263	$459,039
Total Construction Cost*	$2,867,352	$2,472,011
Other Costs	$292,237	$328,802
Project Administration	$325,148	$325,148
Total Project Budget	$3,940,000	$3,585,000

* Includes construction contract amount, contingencies and state sales tax.

2. UWMC 3NN/3NE Otolaryngology Renovation, Project No. 202995
Action Reported: Delegate Award of Construction Contract

On December 16, 2009, a construction contract was awarded to Lease Crutcher Lewis in the amount of $556,707 for Phases II through IV of the UWMC 3NN/3NE Otolaryngology Renovation project. This contract amount includes the base bid plus alternate two. Nine bids were received for this project; the highest base bid was $685,000. The budgeted construction cost for this contract was $581,000.

Lease Crutcher Lewis, formed in 1989, is a local general contractor with a strong project portfolio in constructing pharmaceutical, bio-technology laboratory, and healthcare facilities. In recent years, the company has been partnering with Swedish Hospital and Fred Hutchinson Cancer Research Center in delivering high profile projects successfully.

The UWMC is consolidating the Otolaryngology and Eye Clinic located on the 3rd floor to improve patient care delivery services and optimize efficiency. The project consists of interior finishes upgrade, consolidation of patient waiting areas, addition of new hearing booths, and creation of new eye exam rooms. The project is phased to maintain existing operations. Project delivery is through a combination of Job Order Contract (Phase I) and competitive bid process (Phases II thru IV) to meet schedule demand.

The budget forecast based on the bid results is $1,374,585. The approved budget is $1,400,000.

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 3)

The construction activities for Phase II thru IV will begin in January 2010 with completion anticipated in January 2011. Occupancy is expected in February 2011.

Budget Summary:	Current Approved Budget	Forecast Cost At Completion
Total Consultant Services	$209,948	$209,948
Total Construction Cost*	$1,064,331	$1,041,924
Other Costs	$14,512	$11,504
Project Administration	$111,209	$111,209
Total Project Budget	$1,400,000	$1,374,585

* Includes construction contract amount, contingencies and state sales tax.

3. Hutchinson Pool Decommission & Program Change Project No. 203052
Action Reported: Select Architect, Adopt Budget

On December 1, 2009, an architectural agreement was awarded to NAC Architecture, for the Hutchinson Pool Decommission & Program Change project under their existing Master Term for Architectural Services contract. The agreement amount is $104,041 for basic services versus a budget value of $189,864 for design consultants. The balance of the design budget is intended for Hazardous Materials consultant, previously completed pre-design services and a future contract for Construction Administration.

NAC Architecture (formerly Northwest Architectural Company) was formed in Spokane, Washington, in 1979 and they opened their Seattle office in 1983. NAC Architecture has a successful track record of higher education and medical facility projects as well as a broad background in high profile historic preservation projects.

The scope of this project includes the decommissioning of the existing swimming pool at Hutchinson Hall, along with the removal of all pool support equipment and systems. The existing locker/shower areas, pool area and other ancillary spaces will be converted into a new Drama Scene Design Studio of the UW School of Drama.

The project budget is established at $1,665,000. Funding of $1,665,000 is provided from the following source budgets: $710,000 Provost Office Account Program Renewal Funding, $585,000 Arts & Sciences Minor Capital Repair Fund, and $370,000 Student Life and Student Life/Housing and Food Services.

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 4)

Budget Summary:	Current Approved Budget	Forecast Cost At Completion
Total Consultant Services	$189,864	$189,864
Total Construction Cost*	$1,318,837	$1,318,837
Other Costs	$26,719	$26,719
Project Administration	$129,580	$129,580
Total Project Budget	$1,665,000	$1,665,000

* Includes construction contract amount, contingencies and state sales tax.

4. Campus Chilled Water, Pressure Independent Control (PIC) Valve ESCO -Phase II Project No. 202695
Action Reported: Appoint Engineer, Establish Budget, and Delegate Award of Construction Contract

On October 16, 2009, agreements for design and construction services under an existing Energy Services Company (ESCO) contract were awarded to McKinstry Essention (McKinstry) via the inter-agency agreement with the state of Washington, Department of General Administration. The total value of the ESCO contracts is $4,666,012 for the Campus Chilled Water, PIC Valve ESCO – Phase II project.

McKinstry, established in Seattle in 1960, is one of the leading mechanical design, construction and facility management services firms in the Pacific Northwest. Recent campus projects totaling over $30 million completed by McKinstry include Benjamin Hall for Interdisciplinary Research and the Fisheries Teaching and Research Center.

This project will replace 147 old inefficient building cooling coil control valves in 38 campus buildings with new energy efficient PIC valves and allow removal of existing energy wasting bypass valves. This will reduce chilled water loop pump energy use and reduce cooling tower fan energy use. Improved control of the chilled water system will reduce the number of chillers required and create spare capacity in the system. The project anticipates a Seattle City Light energy conservation incentive rebate of $1,074,702, and annual electricity utility cost savings of $480,428. The project will result in a carbon reduction equivalent of 4,796 metric tons. The anticipated life of the improvement is 20 years.

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 5)

The project budget is $4,910,369. The project will be funded with bond proceeds secured by the Washington State Treasury, State Agency Lease Purchase Program and repaid through future utility cost savings over the ten year term of the loan.

Budget Summary:	Current Approved Budget	Forecast Cost At Completion
Total Consultant Svcs	$18,900	$18,900
Total Construction Cost*	$4,666,012	$4,666,012
Other Costs	$16,100	$16,100
Project Administration	$209,357	$209,357
Total Project Budget	$4,910,369	$4,910,369

* Includes construction contract amount, contingencies and state sales tax.

REPORT OF ACTIONS TAKEN UNDER SPECIFIC DELEGATED AUTHORITY – CAPITAL PROJECT BUDGETS

1. Ocean Observatories Initiative Regional Scale Nodes Primary Infrastructure Project
   Action Reported: Award Design-Build Contract

On November 5, 2009, a design-build contract was awarded to L3 Communications MariPro for the Ocean Observatories Initiative (OOI) Regional Scale Nodes (RSN) Primary Infrastructure Project. The value of the design-build contract is $76,639,938. Authority to award the contract was delegated by the Board of Regents to the President in October 2009.

L-3 Communications MariPro, Inc. is a subsidiary of L-3 Communications Corporation, a Fortune 500 company with a diverse product portfolio used across aerospace and defense platforms in support of the Department of Defense, Department of Homeland Security and the intelligence community. L-3 Communications MariPro has specific expertise in complex cable sensor systems design and marine installations worldwide. L3 Communications MariPro was selected from among five qualified bidders under the guidelines of the Washington State Alternative Public Works design-build statute.

The RSN will be a cabled ocean observatory in the northeast Pacific Ocean, which will be used to conduct transformational, multidisciplinary ocean science. Funded by the National Science Foundation (NSF), the RSN project is under the direction of the Consortium for Ocean Leadership (OL). In March 2007, the

B. Finance, Audit and Facilities Committee

Actions Taken Under Delegated Authority (continued p. 6)

University of Washington was named by OL as the Implementing Organization (IO) for the RSN project. As the RSN IO, the University will develop, design and construct the RSN primary infrastructure.

The RSN will instrument two areas of the Juan de Fuca tectonic plate in the Northeast Pacific Ocean. The Canadian government's NEPTUNE (Northeast Pacific Time-series Undersea Networked Experiments) array is currently being installed on the northern third of the same plate. Together these two systems will monitor the Juan de Fuca plate to allow the science community to conduct experiments. Permanent electro-optical seafloor cables will connect seafloor nodes at two locations and will provide power and high bandwidth for sensors, instruments, and underwater vehicles. This high power and bandwidth capability will allow experimental access from below, on the seafloor, within the water column, and across the air-sea interface. The major component of the construction efforts will be the RSN Primary Infrastructure contract. The Primary Infrastructure consists of the cable, power feed, communications, and seafloor distribution nodes.

The total project budget for the RSN project is $165.6M, as shown in the table below. As approved by NSF, the University will receive direct funding of $127.3M to cover the RSN budgeted costs. OL will retain the contingency funds of $38.3M, earmarked to the RSN project, for release as necessary.

Budget Summary:	Current Approved Budget	Forecast Cost At Completion
Project Management	$13,700,000	$13,700,000
System Engineering	$4,000,000	$4,000,000
Sub-System Development	$20,600,000	$20,600,000
*Implementation	$127,300,000	$127,300,000
Total Project Budget	$165,600,000	$165,600,000

* Includes construction contract amount, contingencies and state sales tax.