

# KETCHIKAN GATEWAY BOROUGH AQUATIC CENTER PROJECT

## WEEKLY PROJECT MANAGEMENT REPORT (JANUARY 18-22, 2010)

*This weekly report details project management activities, schedule, budget and project status for the Ketchikan Gateway Borough Aquatic Center Project. These activities are organized by the 16 tasks defined in the contract Scope of Work. The below color coding system is used to signify overall project status and alert Borough officials and Assembly to issues of concern.*

**COLOR CODE KEY:**

- No issues/problems (project task is on-schedule and within budget)
- Unresolved issues, issues requiring action or important concerns
- Critical issues (unless resolved ASAP, will have adverse impact on project)

### A. WEEKLY ACTIVITIES

#### 1. ENSURE PROJECT MEETS KGB GOALS

CODE	DATE	ACTIVITY	STATUS	CRITICAL PATH
●	1/18/10	Don Simmons attended KGB Assembly meeting/ DBPM appeal hearing.	Completed	
●	1/18/10	RISE project management contract was unanimously approved by KGB Assembly	Completed	
●	1/19/10	Don Simmons met with Dan Bockhorst, Mike Carney, Wendy Mackie on site to review existing site conditions and the existing Recreation Center.	Completed	
●	1/19/10	During site visit, Don Simmons indicated geotechnical study is needed to confirm usability of the preferred site for Aquatic Center addition. If preferred site is unsuitable, it will impact the project schedule.	Ongoing – A/E team will provide geotechnical review of site.	✓
●	1/19/10	Dan Bockhorst and Don Simmons met to review project goals, visit site, discuss project issues, DEED requirements, reporting, billing, stakeholders, budget and permitting. Please see attached “Summary of Meetings on January 19, 2010, Between KGB and RISE Alaska, LLC” for further details.	Completed	
●	1/20/10	Don Simmons, Kent Crandall and Cynthia Oistad met to review project goals, site issues, project set up, team communication structure, Draft A/E RFP and A/E RFP schedule	Completed	
●	1/20/10	RISE project management contract signed and returned to Dan Bockhorst	Completed	
●	1/20/10	RISE team reviewed all project documents/reports sent by Dan Bockhorst and set up internal file structure	Ongoing	
●	1/21/10	Don Simmons reviewed the proposed allocation of “construction management” costs vs. “other project	Ongoing	

# KETCHIKAN GATEWAY BOROUGH AQUATIC CENTER PROJECT

## WEEKLY PROJECT MANAGEMENT REPORT (JANUARY 18-22, 2010)

		management” costs and sent to Dan. Dan Bockhorst to follow up with a letter to DEED by 1/22/10 after RISE review.		
--	--	---	--	--

### 2. KEEP BOROUGH FULLY INFORMED REGARDING PROJECT STATUS

CODE	DATE	TASK/ACTIVITY	STATUS	CRITICAL PATH
●	1/22/10	Prepared and submitted weekly report to Dan Bockhorst	Completed	

### 3. COMPLIANCE WITH DEED REQUIREMENTS

CODE	DATE	TASK/ACTIVITY	STATUS	CRITICAL PATH
●	1/20/10	Reviewed Draft DEED/KGB Project Agreement	Completed	
●	1/21/10	Reviewed the 2004 DEED Project Delivery Method Handbook	Completed	

### 4. OVERSIGHT OF PERMITTING, STATUTES, STANDARDS, REGULATIONS

CODE	DATE	TASK/ACTIVITY	STATUS	CRITICAL PATH
●	1/21/10	Reviewed Assembly Resolutions No. 2185 and No. 2207 prescribing standards, methods and procedures for this KGB Aquatic Center Project	Completed	

### 5. PREPARATION OF AN RFP FOR A/E SERVICES

CODE	DATE	TASK/ACTIVITY	STATUS	CRITICAL PATH
●	1/20/10	Reviewed fawn mountain school RFP and other KGB sample A/E RFPs	Completed	
●	1/20/10	Drafted timeline for A/E RFP (below) in accordance with DEED and KGB solicitation requirements.	Ongoing	
●	1/22/10	Developing draft A/E RFP for KGB aquatic center. Don will send draft A/E RFP for KGB Aquatic Center to Dan Bockhorst for Borough review. Comments due back 1/29 or earlier if possible.	Draft to KGB by 1/24/10	✓

### 6. ASSISTANCE IN SELECTING A/E TEAM

CODE	DATE	TASK/ACTIVITY	STATUS	CRITICAL PATH
●	1/20/10	Kent Crandall tentatively blocked dates of travel to Ketchikan to lead pre-proposal conference, proposal review with Selection Committee and A/E team interviews.	Contingent upon approval of RFP timeline dates	

# KETCHIKAN GATEWAY BOROUGH AQUATIC CENTER PROJECT

## WEEKLY PROJECT MANAGEMENT REPORT (JANUARY 18-22, 2010)

### 7. NEGOTIATION, PREPARATION, AND OVERSIGHT OF A/E CONTRACT

CODE	DATE	TASK/ACTIVITY	STATUS	CRITICAL PATH
		No action to report.		

### 8. APPLICATION, COORDINATION WITH DEED FOR PERMISSION TO USE CM/GC DELIVERY METHOD

CODE	DATE	TASK/ACTIVITY	STATUS	CRITICAL PATH
		No action to report.		

### 9. PREPARATION OF AN RFP FOR CM/GC CONSTRUCTION CONTRACTOR

CODE	DATE	TASK/ACTIVITY	STATUS	CRITICAL PATH
●	1/19/10	Don Simmons agreed to provide Dan Bockhorst copies of CM/GC contract documents developed by American Institute of Architects and Alaska General Contractors, as well as an ARRC version.	Ongoing	

**SCOPE TASKS #10 THROUGH #16** - No action to report at time of this weekly management report.

## B. PROJECT BUDGET

The project is estimated to cost \$17.4 million to construct, with a total project budget of \$23.5 million. The project is funded by general obligation bonds approved by voters in October 2009. A portion of the bonds will be reimbursed by DEED. A detailed project budget will be developed at the onset of this project and tracked monthly by RISE.

## C. PROJECT SCHEDULE

Below is a preliminary project schedule. This schedule will be further refined with key dates and milestones as project progresses. RISE will develop a project schedule in MS Project and then once the contractor is on-board, schedule will be converted to their format. This schedule will be updated on a monthly basis (or as needed) throughout the project.

# KETCHIKAN GATEWAY BOROUGH AQUATIC CENTER PROJECT

## WEEKLY PROJECT MANAGEMENT REPORT (JANUARY 18-22, 2010)

KETCHIKAN AQUATIC CENTER PRELIMINARY PROJECT SCHEDULE		12.22.09																								
TASK/ACTIVITY	2009	2010												2011												
	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	
Select Project Manager																										
Select A/E																										
Programming / Schematic Design																										
Select CM/GC Contractor																										
Design Development																										
Early Site Package																										
Construction Documents																										
Sitework / Underground Utilities Long Lead Procurement																										
GMP - Construction																										

### DRAFT A/E RFP TIMELINE

Below is a draft timeline for the A/E Design RFP. This timeline will be reviewed and confirmed by KPB and incorporated into the draft RFP documents. Due to the importance of getting this A/E RFP approved and advertised in a timely manner, RISE proposes the following aggressive schedule.

- RISE submits draft A/E RFP to KPB  
January 25, 2010
- KGB review of draft A/E RFP      January  
25-29, 2010
- RISE to incorporate KGB comments  
January 30-31, 2010
- DEED review of draft A/E RFP  
February 1-5, 2010
- RISE to finalize RFP with comments  
February 6-7, 2010
- Request for Proposals Advertised  
February 8, 2010
- *(advertised 2/8, 2/9, 2/10 in Anchorage  
Daily News, Ketchikan Daily News and on  
KGB website)*
- Pre-Proposal      Conference\*  
February 17, 2010
- Proposals Received by KGB      March  
1, 2010
- Proposals Given to PRT members  
March 2, 2010

# KETCHIKAN GATEWAY BOROUGH AQUATIC CENTER PROJECT

## WEEKLY PROJECT MANAGEMENT REPORT (JANUARY 18-22, 2010)

- Proposal Review Meeting with PRT  
March 9, 2010
- Notice of Interviews for shortlisted A/E  
March 10, 2010
- Teams  
A/E Team
- Interviews  
March 16, 2010
- Notice of Intent to Award  
March 17, 2010
- Deadline for Appeal of Proposed Award  
April 1, 2010
- Consideration of Contract Award by  
April 5, 2010
- Assembly

**\*Pre-Proposal Conference** – We propose holding a pre-proposal conference on February 17, 2010 so interested A/E teams can visit the preferred and alternative sites for this project, see the existing Gateway Recreation Center facility and ask questions about the requirements of the RFP.

## **Summary of Meetings on 1/19/2010 Between KGB and RISE Alaska, LLC Regarding Project Management Services for Ketchikan Aquatic Center**

8:30 a.m. – Don Simmons, RISE Senior VP, was introduced at the Borough staff meeting.

9:30 a.m. – Don Simmons and Dan Bockhorst met briefly before visiting the project site. Mr. Simmons indicated that he had had the opportunity to review the proposed contract for management services, which had been provided to him on January 18. He indicated that he found it straightforward and acceptable, and would carry the proposed contract to Anchorage to be signed by RISE Alaska President Roe Sturgulewski. The signed contract is expected to be returned to the Borough next week.

9:45 a.m. – Don Simmons, Dan Bockhorst & Mike Carney visited the proposed project site. A superficial review of site (e.g., soils, “sinking” area of parking lot) affirmed the critical need for geo-technical review of the site. Mr. Simmons concurred with the Borough Manager’s position that the geo-technical study should be part of the A/E contract rather than a separate effort conducted by the Borough so that the A/E has “ownership” of the results. Wendy Mackie joined the group at about 10 a.m., at which time the site visit continued. It was noted that the Borough does not have an alternative site selected for the pool in the event that the proposed site is not suitable from a geo-technical standpoint. That circumstance was of concern to Don Simmons, Dan Bockhorst, and Mike Carney (in subsequent discussions, the Borough Finance Director also expressed concern over the lack of an alternative site).

Don Simmons, Dan Bockhorst, and Mike Carney also discussed the desirability/feasibility of using a wood-fueled boiler system as a heat source for the Aquatic Center and potentially the entire Borough owned complex of buildings collocated at the site (Recreation Center, Pool, and Valley Park School). It was agreed that the option for a wood-fueled boiler system will be carefully evaluated.

Don Simmons, Dan Bockhorst, Wendy Mackie and Mike Carney also discussed site parking and circulation issues. All agreed that these issues would be critical for the A/E team to address. Wendy and Mike mentioned that a connection to the parking areas adjacent to the other Borough-owned buildings would improve both circulation and parking.

The site visit concluded about 10:50 a.m.

Noon – Don Simmons and Dan Bockhorst met to address the eleven topics outlined below.

1. Issues involving DEED

- a. Dan Bockhorst provided an overview of the KGB appeal of DEED's determination of the portion of project debt services eligible for reimbursement (DEED has agreed that 23.86% of the project cost is eligible for 60% reimbursement ( $23.86 \times 0.6 = 14.318\%$  of principal and interest; KGB seeks 38.35 percent @ 60% reimbursement = 23.011% of principal and interest)
- b. Dan Bockhorst noted that the project agreement between DEED and KGB remains under negotiation. A copy of the proposed project agreement, which was incorporated into the RFP by reference, was reviewed. Issues to be addressed include the proposed application of laws and other constraints governing the debt reimbursement program administered by the Alaska Department of Education and Early Development (DEED) to the entire project when only 23.86 to 38.35 percent of the project is likely to be eligible for partial DEED funding. Another issue concerns the definition of "construction management" versus "project management." Don Simmons agreed to review the proposed allocation of "construction management" costs versus other "project management" costs as outlined on page 8 of the Borough Manager's memo of 1/12/2010 to the Assembly. Dan Bockhorst indicated that he would follow up with a letter to DEED by 1/22/2010, after Mr. Simmons has reviewed the cost allocations noted above.

2. Reporting. Dan Bockhorst stressed the importance of reporting by RISE to ensure that Borough officials and the public remained well informed about the project status and accomplishments. The RFP, RISE proposal, and project management contract require regular weekly reports from RISE and immediate reports in the event of unanticipated problems or concerns. The reports will also include a color code system signifying the overall project status (green to signify that the project is proceeding on schedule, within budget and without other significant problems or issues; yellow to signify that there are unresolved important issues or concerns; and red will indicate that there are critical problems

that, unless resolved ASAP, will have significant adverse impacts on the project schedule, budget or other aspects of the project). Mr. Simmons indicated that the lack of positive geotechnical information on the preferred site combined with the no designated alternative site for the project warrants a “yellow” schedule status at this time. If the preferred site is unsuitable it will impact the project schedule.

3. Juneau Pool project. The results of the Juneau Thunder Mountain Pool project were reviewed. Seven contractors submitted proposals.
4. Billings by RISE. The Borough Manager indicated that billings from RISE must include the name of each employee whose services are included in the billings; hours worked by each employee; hourly rate; brief description of tasks performed by each employee; and category of services performed based on 14 elements of project scope).
5. Project stakeholders were tentatively identified. Mr. Simmons indicated that once an A/E team is selected, a design kick-off meeting would be scheduled to invite stakeholders to explain the specific requirements related to their specific program of special interest. The stakeholders tentatively identified include the following:
  - a. Borough taxpayers
  - b. Borough government
    - i. Assembly and Mayor
    - ii. Borough Manager
    - iii. Borough Attorney
    - iv. Borough Clerk
    - v. Finance Department
    - vi. Public Works
    - vii. Parks and Recreation
    - viii. School District
  - c. Pool users (Dan Bockhorst subsequently provided Don Simmons with a three page list of “pool user groups” that had been prepared by the ad hoc Pool Committee)
  - d. DEED

6. Permitting was discussed briefly. (e.g., Army Corps, City of Ketchikan, and KGB). It had been stressed in the RFP that delays in Army Corps permits is typical and that lead time needs to be built into the schedule. There was a brief discussion about the 1% for art program. Mr. Bockhorst indicated that it was a requirement but that the applicable amount of the construction budget is still to be determined.
7. Anticipated cash flow to allow investment of excess cash (Dan Bockhorst subsequently provided the KGB Finance Director's preliminary projections to Don Simmons who agreed to review the projections to facilitate investment decisions)
8. The heat source for the pool was further discussed. It was agreed that the desirability/feasibility of using wood heat will be addressed in A/E Services Contract.
9. Project goals were reviewed. These consist of the following:
  - a. Complete the project within budget, on time, and without litigation or other conflict.
  - b. Design and construction:
    - i. substance, quality, and function of the facility over form;
    - ii. long-life of the Aquatic Center (ideally, 50+ years);
    - iii. minimize the cost of operation (e.g., promotes energy efficiencies);
    - iv. minimize the cost of maintenance and repair of the center.
  - c. Promote public use and enjoyment of the center.
    - i. educational curriculum for students in grades K-12 of the Ketchikan Gateway Borough School District;
    - ii. competition venue for regional swimming meets;
    - iii. public recreational needs of the community; and
    - iv. Setting for fitness, marine public safety training, wellness training, and therapeutic treatment.
10. Design needs and challenges were discussed
  - i. extensive pool design experience is critical for the A/E contractor
  - ii. The A/E team needs to recognize the challenges created by Ketchikan's climate

11. Pool Disinfection system was discussed. It was noted that several options have been identified in the past (saltwater; chlorine, and ozone water purification systems, among others).

The meeting between Don Simmons and Dan Bockhorst concluded about 2:30 p.m.

Dan Bockhorst, Don Simmons and Scott Brandt-Erichsen met about two issues. The first was whether cost could legally be a criterion in the evaluation of proposals for A/E services. Mr. Brandt-Erichsen indicated that the provisions of AS 36.30.270, which prohibit consideration of cost in solicitation of services by A/E, apply only to State agencies. Those provisions would not apply to the Borough unless the Borough agrees, contractually, to make the provisions applicable. The Borough Manager subsequently reviewed the proposed agreement with DEED and the DEED project delivery method handbook and found no provision in either that would purport that the Borough apply AS 36.30.270 to its procurement. The Borough Attorney noted that it would be advisable to allow DEED the opportunity to review the RFP for A/E services.

The second issue was the form of contract to be used for construction services. The Borough Attorney suggested using the contract that had been prepared for the Fawn Mountain School construction project as a foundation. Mr. Brandt-Erichsen provided the short form of the contract in Word Perfect format. The Borough Clerk subsequently provided Mr. Simmons with a copy of the complete solicitation and contract documents pertaining to the construction of the Fawn Mountain School.

The Borough Attorney also provided Mr. Simmons with a copy of the RFP for A/E services for Fawn Mountain. It was noted, however, that the RFP for A/E Services for Fawn Mountain did not originally call for the CM/GC best value approach.

The Borough Manager had previously provided Mr. Simmons with a copy of the RFP and contract documents for the A/E services for the conceptual design of the new aquatic center.

Mr. Simmons agreed to provide copies of CM/GC contract documents developed by AIA/AGC and a version developed by the Alaska Railroad Corporation.

Mr. Simmons concluded his meetings at White Cliff around 2:45 p.m., at which time he returned to Anchorage.