



DATE: April 24, 2023

TO: Wade Bryson, Chair
 Public Works and Facilities Committee

THROUGH: Katie Koester, Director Engineering and Public Works

FROM: Jeanne Rynne, Chief Architect

SUBJECT: Funds Transfer to BRH Behavioral Health Facility Capital Improvement Project (CIP) B55-080

Staff requests the transfer of \$200,000 to the BRH Behavioral Health Facility CIP (B55-080) to finish out the project, which is scheduled to be substantially complete on May 15, 2023. The current total project budget is \$17.75M. This transfer would bring the project total to \$17.95M. Estimated cost of construction at completion is \$15.0M. The additional funding will cover the projected balance of construction costs, construction inspection, CBJ staff time and project contingency for unanticipated minor changes. This transfer request has been recommended by the BRH Planning Committee and is moving forward to the BRH Finance Committee on April 24, and will be reviewed by the BRH Board of Directors on April 25.

This project has faced many challenges since the Notice to Proceed was issued in April of 2021, ranging from owner requested additional scope, pandemic related material escalation and supply chain issues, and labor availability issues. In accordance with CBJ Resolution 2670, this project is subject to a Project Labor Agreement. The Union's inability to furnish labor to this project has incurred additional costs to the project (at least \$40,000 to date), as the Contractor has had to import labor from Anchorage and Washington to keep the project on schedule. Furthermore, as the project has passed the two-year mark, Alaska Statute 36.05.010 requires that the prevailing wage rates be updated to the most current schedule issued by the Department of Labor.

Projected total funds needed to complete the project are \$392,000. \$192,000 of this amount will be addressed by remaining contingency within the project. Therefore this transfer request of \$200,000 is before you.

The funds would be transferred from:

- B55-078 RRC Detox Addition. This project is complete and has a remaining balance of \$4,716.
- B55-081 Study-Secondary Campus Access. This project has a remaining balance of \$88,479. This CIP was initiated in July 2020 and has only had \$1,521 in financial activity.
- B55-086 BRH Deferred Maintenance has unallocated funds of \$1.4M.

Transfer from:	
B55-078 RRC Detox Addition	(\$4,716.26)
B55-081 Secondary Campus Access	(\$88,478.97)
B55-086 BRH Deferred Maintenance	(\$106,804.77)
Total:	(\$200,000.00)
Transfer to:	
B55-080 Crisis Stabilization	\$200,000.00

Funding Source: Bartlett Hospital Fund Balance

Action Requested

Staff requests the above transfer of \$200,000 be forwarded to the full Assembly for approval at the May 5, 2023 Assembly meeting.

Funding History

Funding at Time of Bid February 2021	\$9,500,000	
May 2021	\$2,750,000	Appropriation to fund additional floor after Bid Award
July 2021	\$1,500,000	FY22 CIP
February 2022	\$4,000,000	Appropriation for Cost Impacts due to added scope, material escalation and supply chain issues.
Current Total	\$17,750,000	
April 2023	\$200,000	Transfer Request, continued material escalation, labor availability, scope change
Total after Transfer	\$17,950,000	