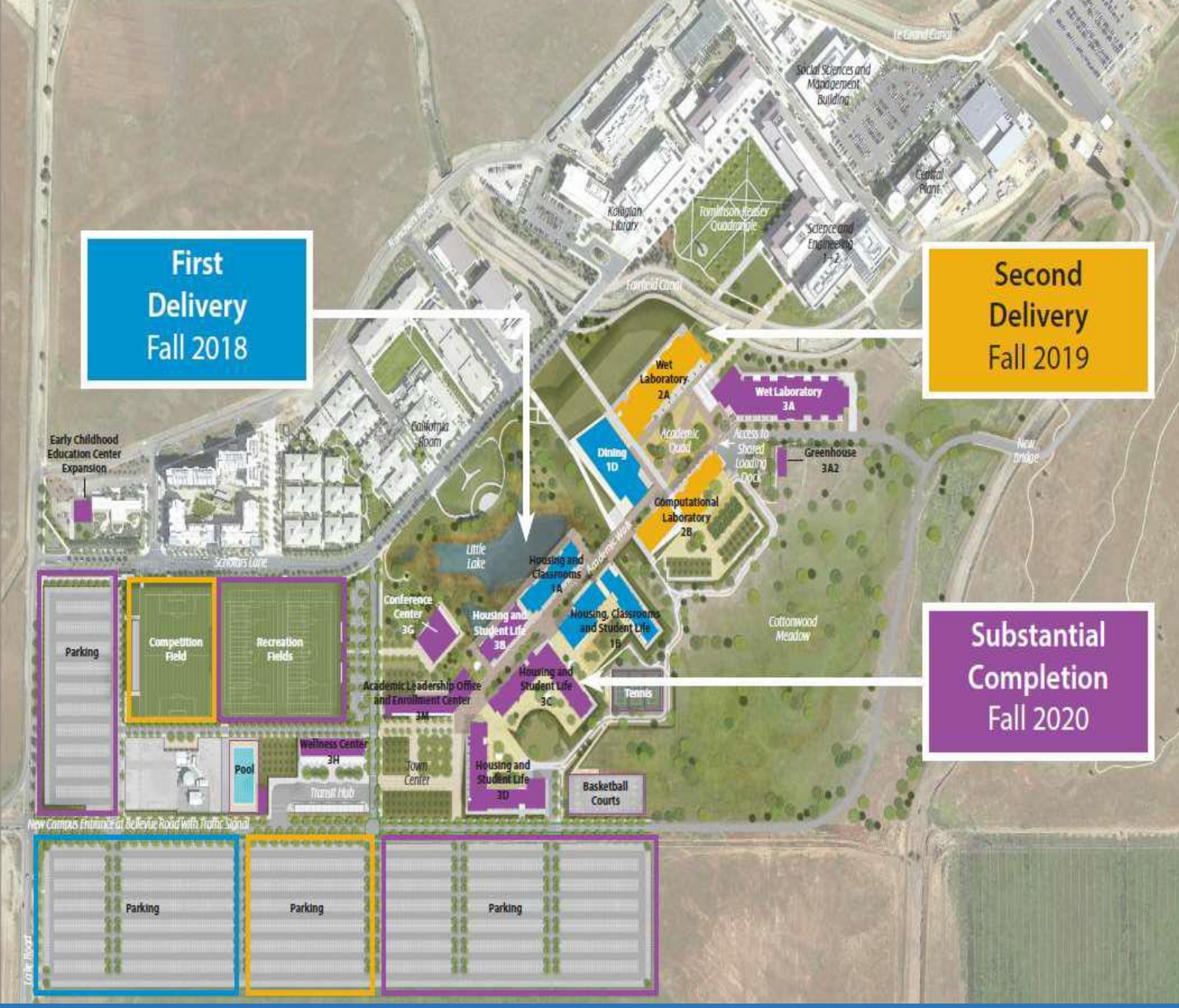
UNIVERSITY OF CALIFORNIA | MERCED 2020 PROJECT

PROJECT PERFORMANCE MONTHLY REPORT 39.0

PERIOD ENDING: September 30th, 2019



Team

Owner's Authorized Representative & Project Executive:
VC/COO Michael McLeod (POPD)

Lead Project Manager:
Paul Mackintosh (WT Partnership)

Developer/Project Co:
Plenary Properties Merced ("PPM")

Equity:
Plenary Group ("Plenary")

Design-Builder:
Webcor Builders ("Webcor")

Operator:
Johnson Controls ("JCI")

Commercial

Agreement:
- Availability Payment based P3 including DBFOM
- 3 phase operational ramp-up

Term:
- 39 Years (including four (4) year construction)

Contract Value:
- $1,340,839,588

DB Contract Value:
- $1,166,631,875 (DB)

Annual O&M Cost (Real):
- $4.1m

Total Real Lifecycle Cost Model (over term):
- $101M

Security (equivalent cash value):
- DB Performance bond: $1,166m (100%)
- DB Payment Bond: $1,166m (100%)
- DB Limit of Liability: $583m ($50%)
- OM Limit of Liability: (200% annual cost)
- DB Parent Company Guarantee $583m ($50%)

Schedule

Financial Close:
August 12th, 2016

First Delivery Occupancy Readiness Date:
August 6th, 2018 (Achieved)

Second Delivery Occupancy Readiness Date:
June 1st, 2019 (Achieved)

Substantial Completion:
June 1st, 2020

Final Acceptance:
October 29th, 2020

Project Agreement Long Stop Date:
June 1st, 2021

Construction Schedule:
Circa 46 Months

Operating Period:
35 – 37 Years

Table of Contents

1. EXECUTIVE SUMMARY 4
2. PROJECT DASHBOARD 6

Purpose of Report

This report is provided for the benefit of the Leadership Team, executive-level reporting, and historical record, in the on-going management of the University of California, Merced ("UCM") 2020 Project. It includes observations about project activities, project health, Developer performance, risk, and process improvement opportunities.

[Parenthesis] - Square brackets are utilized within the document to illustrate an opinion founded on information available at the time of writing. It affords the author and the Project Team the opportunity to review the conclusion following discussion and liaison, where relevant, revising following initial issue for finalization.

Document Control

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1. EXECUTIVE SUMMARY

PROJECT EXECUTIVE'S SUMMARY

This report provides an overview of the activities that took place in the 2020 Project throughout the month of September 2019. The final design set for Building 3A Biomedical Sciences and Physics was issued to the field and design was close to completion for the 3A2 Greenhouse and 3P Hazmat facilities. The modular structure that will be used to house the Hazmat facility was successfully delivered to site and set in place and LEED Platinum certification was successfully achieved for housing building 1A/3B Granite Pass.

GOVERNANCE & OVERSIGHT

The 2020 Project Team continues to liaise with the Governance Board and Office of General Council ("OGC") on project issues. While no Governance Board meetings were held during the period, coordination efforts continued to progress change orders and design and construction items.

DESIGN, CONSTRUCTION, OPERATIONS & MAINTENANCE

Design & Construct

A total of three hundred seventy-eight (378) design submittals have been received since the 2020 Project's inception. During the period, the Design Review Team ("DRT") received two (2) new design submittal (Table 4.2) for review from the Developer on behalf of the University. The Design Review Team also reviewed and conducted discussions with the Developer and stakeholders for each submittal.

From a total of six hundred and twenty-one (621) Requests for Information ("RFI") & Owner Questions received from the Developer, eight (8) were received during the month of September with a closeout rate of 98.2%. To date, the University has submitted forty-five (45) Owner RFI's to the Developer for response.

Operations & Maintenance

The primary focus for Project Operations in the period continued to cover schedule management, budgeting, and forecasting each of the key contracts to enable proactive budget management of the constrained 2020 Project funds.

During September, the Developer reported two hundred sixty-one (261) project related work requests generated through the facility management platform QFM. One hundred and forty (140) Planned Maintenance work orders were scheduled and all were completed and six (6) issues of non-compliance were recorded during the month, forty five (45) in total to date. The Customer Service Center received one hundred and seven (107) total calls for the month with the average call lasting four (4) minutes and fifty-seven (57) seconds.

PROJECT CONTROLS

Budget

The Campus Budget is retained as approved at a total of $148.13 million comprising: Owner Operating Budget ($79.38 million) and Campus Contingency ($68.75 million). Adequate cost control measures continue to be implemented to ensure suitable funds are retained to close out the 2020 Project. Projected expenditure through to the end of the 2020 Project currently forecast 97.3% of the budget to be expended with a remaining $4.1million in contingency. Careful measures continue to be enacted in the consideration of Change Requests to mitigate impacts and avoid budget overspends.

PROJECT PROGRESS PHOTOS

Building 3A Internal Staircase

Third Delivery Housing

3K Competition Pool

Building 3A Laboratory

Building 3M Athletics & Wellness

Building 3M

3K Competition Pool Pump House

Third Delivery Housing

Building 3G Conference Center

Building 3A2 Greenhouse

Building 3A Laboratory

Building 3H Administration

2. PROJECT DASHBOARD

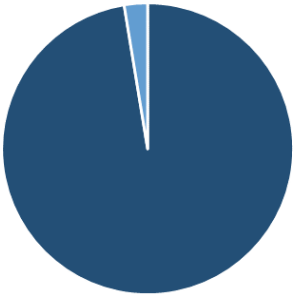
83

Change Orders finalized since project inception valued at $15m

11

Remaining facilities to be turned over to the University by 2020 Fall Semester

Projected Budget Expenditure



Projecting to spend 97.3% of Owner's Budget

	Building	Occupancy Achieved	Scheduled Occupancy
1A	Granite Pass	1 Aug 2018	
1B	Glacier Point	20 Jul 2018	
1D	Pavilion	1 Jul 2018	
	Tennis Courts	3 Aug 2018	
2E	Bobcat Field	3 Aug 2018	
P1	Live Oak Lot		
P2	Fleet Lot		
P4	Bellevue Lot	11 Jul 2018	
P5	Scholars Lot	3 Aug 2018	
2A	Sustainability Research & Engineering	1 Jun 2019	
2B	Arts & Computational Sciences	1 Aug 2019	
2D	Research Server	1 Jun 2019	
1H	Bellevue Loading Dock	1 Jun 2019	
3A	Biomedical Sciences & Physics		1 Jun 2020
3A2	Greenhouse		1 Jun 2020
3B	Granite Pass	25 Jul 2019	
3C	Sentinel Rock		1 Jun 2020
3D	El Portal		1 Jun 2020
3G	Conference Center		1 Jun 2020
3H	Administration Building		1 Jun 2020
3K	Competition Pool		1 Jun 2020
3M	Health & Athletic Center		1 Jun 2020
3N	Recreation Fields	1 Jul 2019	
3P	Hazmat Facility		15 Nov 2019
	Loop Road Bridge		TBD
	Mineral King Bridge		TBD