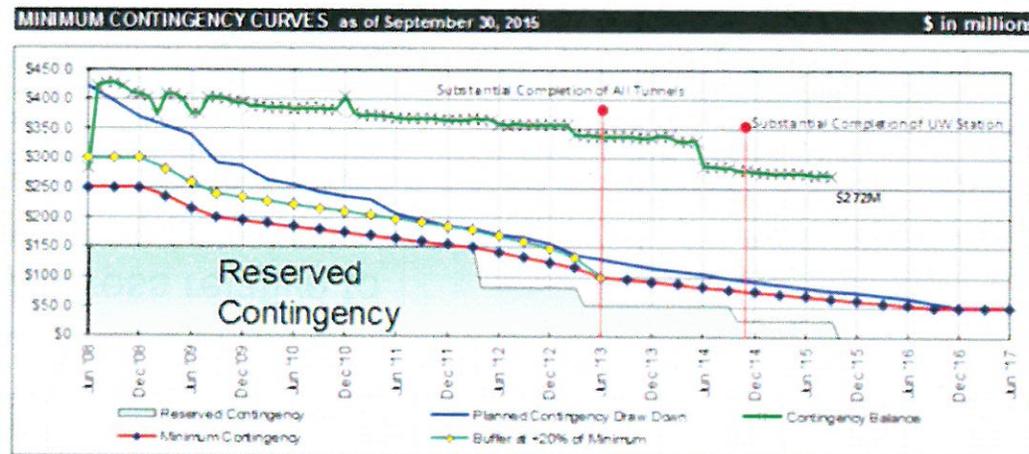
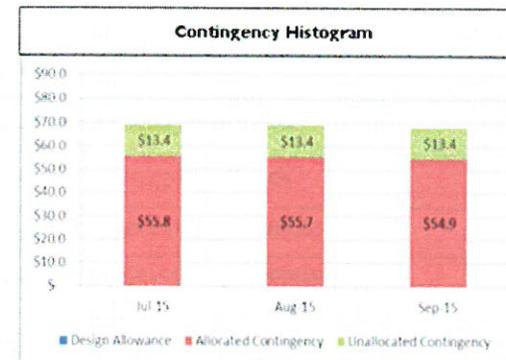


Tracking & Reporting on Contingency

Contingency status for major contracts and projects are monitored, tracked and reported monthly as depicted on the following charts.

Contingency Status	Baseline		Current	
	Amount	% of Total	Amount	% of Work Remaining
Design Allowance	\$26.7	7.0%	\$ -	0.0%
Allocated Contingency	\$29.8	8.0%	\$54.9	53.6%
Unallocated Contingency	\$19.0	5.0%	\$13.4	13.1%
Total	\$75.5	20.0%	\$68.3	66.7%



Tracking & Reporting on Contingency, cont'd.

Contingency Index

- A measure of work progress relative to contingency drawdown, computed as a ratio of % construction work complete to % contingency expended.
- Index of 1.0 or more indicates good and efficiency control of contingency.
- Index less than 1.0 - indication the contingency is being drawn at a faster rate than work progress, a potential risk of depleting the contingency before the work is completed.
- At Sound Transit, a contingency index of less than 1.0 triggers a requirement of a report with mitigation measures to the CEO, DECM Executive Director and Director of PC by the responsible PM or Project Director.

Present Financial Status	Amount
<i>S440 Contractor—PCL Civil Contractors, Inc.</i>	
Original Contract Value	\$169,000,000
Change Order Value	\$3,873,080
Current Contract Value	\$172,873,080
Total Actual Cost (Amount Billed)	\$150,160,333
Financial Percent Complete:	87%
Physical Percent Complete:	85%
Authorized Contingency	\$13,520,000
Contingency Drawdown	\$3,873,080
Contingency Index*	2.9

Contingency Guidelines for Construction Cost Estimates

Estimate Level	Design Stage	Purpose	Information Available	Estimate Methods	Design Allowance	Average Total Allocated Contingency	Unallocated Contingency	Total Contingency including Design Allowance
Order of Magnitude	Planning / Programming (0-5% design)	Evaluation of projects or alternatives	Historical information with adjustments made for specific project conditions.	Parametric; costing by SF, LF, or CF.	30% minimum	15-20%	10-15%	64% minimum
Schematic / Conceptual	Conceptual Engineering (5-15% design)	Develop early design	Schematic drawings, sketches, renderings, diagrams, conceptual level plans, elevations, sections, and preliminary project descriptions.	Parametric; costing by SF, LF, or CF, with quantity development of major items.	20% minimum	12-20%	5-10%	41% minimum
Design Development	Preliminary Engineering (15-30% design)	Establish control budget	Drawings showing plans, elevations, typical details, engineering design criteria, equipment layouts, and detailed outline specifications.	Quantity development of major items, pricing by cost library. Rough estimates or allowances developed for hard-to-measure items.	15% minimum	10-15%	5-10%	33% minimum
Final Design	Final Design (30-100% design)	Detailed control budget; cost control & reporting	Detailed drawings showing plans, elevations, sections, details, schedules, draft specifications, and bidding criteria.	Takeoff quantities from plans, representative pricing adjusted for project-specific conditions. Crew-based approach to labor and equipment. Percent approach to GCs, OH&P, and escalation. Some allowances for hard-to-measure items.	8-15% at start of final design, diminishing with design progress	8-15%	5-10%	22% minimum
Bid	Ad-Ready (100% design)	Check bids; commit funds	Completed documents.	Detailed takeoff quantities, detailed review of specifications, detailed pricing including price quotes, crew-based labor & equipment, detailed GCs and OH&P. Consideration of construction schedule, work restrictions, and risk.	None	8-15%	5-10%	15% minimum