MINUTES OF GROSSMONT HEALTHCARE DISTRICT
INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE
Construction Sub-Committee
November 12, 2015

A Construction Sub-Committee Meeting for the Independent Citizens' Bond Oversight Committee (ICBOC) of the Grossmont Healthcare District was held Thursday, November 12, 2015, at 1:30 p.m., at the Offices of the Grossmont Healthcare District, 9001 Wakarusa Street, La Mesa, California 91942.

For purposes of these minutes, the listed items will be reflected in the order set forth on the posted agenda or in the order as amended at the start of the meeting. In some cases, discussion of items may have taken place out of sequence during the course of the meeting. Any documents referred to in these meeting minutes are posted on the website under the meeting agenda of the same date.

Members Present:	Dexter Levy	GHD:	Barry Jantz
	Ken Lavigne		
	Charles Fouquette	DCS:	Dave Suydam
		Gafcon:	Derek Contizano
			Sheryl Castro

The meeting was called to order at 1:33 p.m.

A. **Approval of the October 15, 2015 Meeting Minutes**
Mr. Dexter Levy asked the Sub-Committee if there were any edits to the October 15, 2015 meeting minutes. No comments were made. Mr. Levy called for a motion to approve the minutes. The motion was approved.

B. **October Monthly Report of Prop G Projects at Grossmont Hospital**
Mr. Dave Suydam presented the Prop G Monthly Progress Report for October 2015. During the month of October there were no reportable safety incidents, beneficial occupancy for the East Tower fifth floor was received, and Members of the ICBOC toured the projects.

Mr. Suydam reviewed the schedules and status of each project.

- The East Tower project is approximately 94% complete. This is based on invoices that have been submitted for payment and the approved contract value. ADA parking was restored and are now in compliance with OSHPD. The infectious control barriers are now down on the fifth floor. The architect of record has finished their punchlist and Driver is now working to complete the remaining items on the list. Final acceptance the fifth floor was received on November 2, 2015.

- The Heart & Vascular project is 91% complete. Commissioning work is still on hold due to lack of utilities for air handlers. Interior work is moving along and will begin the punchlist process soon. The ring road drainage issues have been identified and are being addressed.

- The Central Energy Plant is approximately 93% complete. The solar turbine was started and testing has commenced.

- The Surgery Floor Build Out Invitation to Bid is being finalized for publication. The projects will go out to bid the first quarter of 2016. The schedule for completion was revised to the first quarter of 2019.

- HOK Architects is short on staff and are concerned they might not be able to staff the Construction Administration portion of the work on the Surgery Floor Build Out project. HOK Architects serves both Sharp and Prop G. Design Construction Services (DCS) is exploring whether to contract with another firm or have HOK Architects subcontract the work to another firm. DCS is weighing the pros and cons for each of these options.

Mr. Suydam reviewed the Prop G Available Funds vs. Worst Case Forecasted Costs spreadsheet and the status of each project's contingency funds. As of October 19, 2015, the remaining Prop G building funds total $22,110,176. The decrease in funds from September is primarily due to additional change orders and contractor delay claims. The current potential shortfall of the projects not yet under construction totals $6,717,356. However, this does not take into account the $7.5M or $246,400 of interest earned from the former Health Occupations Training Center (HOTC) project that has not yet been reallocated to a project.

Mr. Suydam reviewed the potential credits the projects could potentially receive, which include: Self-Generation Incentive Program (SGIP), emissions credits, sale of existing CEP equipment, proceeds from the sale of power, and the Co-Gen contingency balance.

Mr. Levy asked if SDG&E had any issues with the CEP clearance and wall that needed to come down. Mr. Suydam stated they satisfied SDG&E by providing a letter stating the opening would be made sometime before the project was finished.

Mr. Suydam reviewed the "look ahead" for next month. DCS will continue discussions with McCarthy on delay claims, and the staging area will be vacated as requested by the City.

Mr. Charles Fouquette asked about the financing of the turbine. Mr. Barry Jantz stated it is part of the non-Prop G financing being paid off by Sharp, which will be paid off in 2021 unless Sharp opts to pay it off early.

C. **Memos/Approvals to Board:**

i. Mr. Contizano reviewed the Central Energy Plant: Board Memo #352 – Consideration of Proposed Change Order to McCarthy for Medical Alarm Panel Wiring (Fixed cost of $402,782). *Approved by Board 10/16/2015.* This was brought to the board almost one year ago. Finally executed in October. The work will be to consolidate all the medical alarms to the new CEP.

Mr. Contizano stated this work has a potential for savings by performing value-engineering on the last leg of the wiring by using less wire.

ii. Mr. Contizano reviewed the H&V Project: Board Memo #353 – Consideration of Proposed Change Order to KMD Architects for Extended Construction Administration through expected construction completion in February 2016 (Fixed cost of $192,126). *Approved by Board 10/16/2015.* Mr. Barry Jantz stated the Board recognized the importance of ICBOC's review on items exceeding $250,000 and wanted to be sure they weren't superseding ICBOC's review. This discussion was memorialized in the 10/16/15 Board minutes.

iii. Mr. Contizano reviewed Central Energy Plant: Board Memo #354 – Consideration of Proposed Change Order to McCarthy for structural enhancements to the Emergency Generator Enclosures as requested by OSHPD (Fixed cost of $207,779). *For Board Consideration 11/20/2015*. This work will be to retrofit the enclosure to be structurally equivalent to a building.

D. **Next Meeting**

i. The next Regular meeting will be held Thursday, November 19, 2015 at 6:00 p.m. in the Grossmont Hospital David and Donna Long Cancer Center (DDL), 5555 Grossmont Center Dr., La Mesa

ii. The next Construction meeting will be held Thursday, December 17, 2015 at 1:30 p.m. in the Grossmont Healthcare District Admin. Conference Room, 9001 Wakarusa Street, La Mesa

E. **Adjournment**

Meeting was adjourned at 2:12 p.m.