

**BOARD MEMO**



**GROSSMONT  
HEALTHCARE  
DISTRICT**

To: GHD Board of Directors  
From: Prop G – Design and Construction Services  
Dave Suydam, Director of Construction

Cc: Barry M. Jantz, CEO  
Jeff Scott, District Counsel  
Tom Saiz, CFO

Date: November 21, 2014

**APPROVALS**

CEO: Approved  Date: \_\_\_\_\_

GO Bond  
Committee: Approved  Date: \_\_\_\_\_

GHD Board: Approved  Date: \_\_\_\_\_

ICBOC Review: No Comments  Date: \_\_\_\_\_

**SUBJECT: East Tower Renovation: Board Memo #326, Consideration of Change Order to C.W. Driver for the additional demolition and reinstallation of corridor hard lid ceiling on Floors 3 – 5 of the East Tower for a fixed cost of \$181,622.**

RECOMMENDATION of DESIGN AND CONSTRUCTION SERVICES (DCS):

Design and Construction Services (DCS) recommends the approval of a Change Order for the cost of additional demolition and replacement of corridor hard lid ceiling on Floors 3 – 5 of the East Tower for a fixed cost of \$181,622.

ASSIGNMENT/FUNDING:

Unforeseen / Contingency

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

Purpose for Change Order:

The Change Order, if approved, would authorize and obligate C.W. Driver to remove and reinstall additional hard lid ceilings in the corridors of Floors 3 – 5 of the East Tower. The removal of the hard lid ceiling will expedite the repairs of unforeseen conditions.

Justification/Background:

Based upon lessons learned on Floor 2 of the East Tower, DCS has requested the additional removal and replacement of the hard lid corridor ceilings on Floors 3 – 5. This will expedite the repair of existing conditions, and will reduce the costs of drywall work by increasing the predictability and productivity of the drywall contractor.

Change Order:

On May 7, 2012, the Board entered into a contract with C.W. Driver, Inc. to provide construction services for Bid Package 005, East Tower Nursing Unit and Infrastructure project in the amount of \$17,325,000. The current status of prior awards is summarized in the following table:

Description/ Contract Info	Original Contract Amount	Executed Change Orders	Current Contracts Amount	This Change	Other Pending Changes	Projected Cost at Completion
General Contract	\$17,325,000	\$4,103,746	\$21,428,746	\$181,622	\$6,363,995	\$27,974,363
Other Construction Commitments	\$960,897	\$43,615	\$1,004,512	0		\$1,004,512
<b>Subtotals</b>	<b>\$18,285,897</b>	<b>\$4,147,361</b>	<b>\$22,433,258</b>	<b>\$181,622</b>	<b>\$6,363,995</b>	<b>\$28,978,875</b>
<b>Current Contingency</b>						\$5,267,191
This Change						\$181,622
<b>Remaining Contingency Balance</b>						\$5,085,569
Other Pending GC CO's						\$6,363,995
All Other Pending Changes						\$(669,882)
<b>Potential Ending Contingency Balance/Deficit</b>						\$(608,544)

ICBOC REVIEW:

This recommendation as well as the potential cost impact will not require a review by the Independent Citizens' Bond Oversight Committee (ICBOC) as determined in the Board adopted Change Order Policy Board Resolution 01-13.

FISCAL IMPACT/FUNDING:

The total cost for this Change Order is available from the current Construction Contingency budget in the East Tower Renovation budget as approved by the Board on February 3, 2014.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

Recommended design and construction changes require approval as indicated by Resolution No. 01-13; the construction change order policy. The policy also sets forth a review by the ICBOC of change orders in an amount greater than \$250,000 that constitutes increases in approved project budget(s).

IMPACT ON CURRENT SERVICES OR PROJECTS:

This Change Order does not impact other Prop G projects.

IMPACT ON SCHEDULE:

This Change Order does not request any added working days to the project schedule.

CONTRACTING PROCESS:

The full scope of this CO has a fixed cost of \$181,622.