

Prop G Monthly Progress Report October 2015

**Grossmont
Healthcare
District**



Reflection:

“A person has to remember that the road to success is always under construction. It is not easy becoming successful.”

– *Steve Harvey*



Overview

1. Major Events in October
2. Schedules
3. Project Status
4. Budgets
5. Looking Ahead



1. Major Events in October

1. There were no reportable safety incidents this period.
2. Received OSHPD Beneficial Occupancy for the 5th Floor of the East Tower.
3. Members of the ICBOC and GHD Board toured all three projects.

2. Schedules

Temp. C of O for equipment operation

Co-Gen on line

Updated 10-25-15

Projects	2015				2016				2017				2018				2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
CEP & Co-Generation	Construction																
E. Tower	Construction																
Heart & Vascular	Construction																
Level 1 Surgery Build Out			OSHPD Permit Delay	Bidding	Start Up											CDPH	
Prop G Scope										Construction							
Sharp Scope								Construction									

3. Project Status – East Tower

- Overall the project is about 94% complete
- The six transport vehicle stalls at the main entry were restored to meet ADA requirements.
- The infection control barriers on Level 5 have been removed except for a temporary barrier at the south end of the floor.
- The Architect of Record and Mechanical Engineer have completed their punch lists and CW Driver is working on the deficiencies identified.
- Level 5 final acceptance is forecasted for October 30, 2015.

3. Project Status – East Tower Photos



Central Nurse Station Progress



Staff Lounge

3. Project Status – H & V

- Overall the project is about 91% complete.
- Site work continues.
- Commissioning work is still on hold due to the lack of utilities from the new CEP.
- Interior finishes continue on all floors.
- Fire protection material installation was completed at expansion joint between the new building and existing.
- Ring road drainage problems have been identified.

3. Project Status – H & V

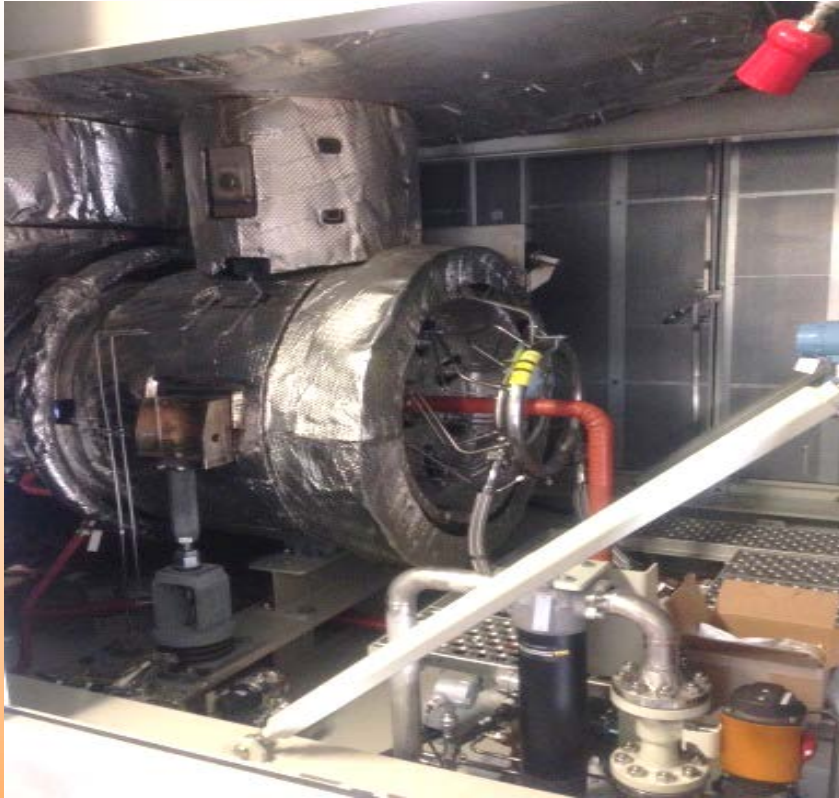


North Exterior Elevation

3. Project Status – CEP

- Overall the work is about 93% complete.
- Lighting fixture installation is complete.
- Steam piping was complete and seismic bracing is ongoing.
- Insulation and painting are ongoing in the pump room.
- Commissioning and startup of pumps and controllers is underway.
- The Solar turbine was started and testing has commenced.
- Chilled Water piping was installed and pipe supports are complete.
- Medical gas piping is being installed on the trellis.

3. Project Status – CEP



Solar turbine ready for start up



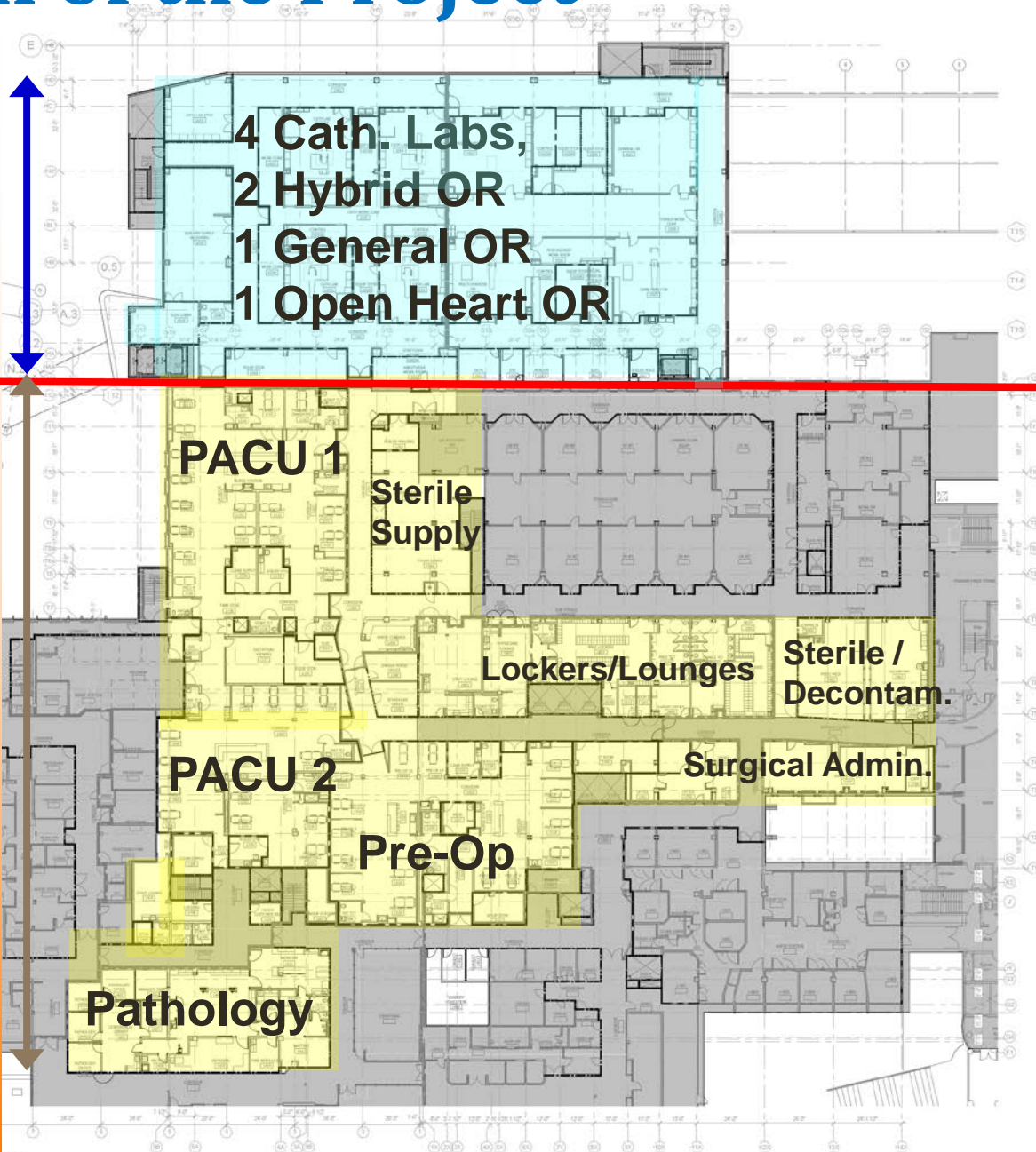
Piping going to Trellis

3. Project Status – Surgery Build Out

- Final revisions to the Invitation to Bid continues with input from the District's lawyers.
- Discussions continue with HOK Architects regarding Construction Administration (CA) services.
- Options for alternate CA coverage are being explored.

Location of the Project

Heart &
Vascular
Shell Space



Legend:
PROP G



Existing
Hospital

Sharp



4. Budget - Available Funds vs. Worst Case Forecasted Costs.

Category	Project Name	Projected Cost At Completion (10/19/2015)	Projected Cost At Completion (9/23/2015)
Funds Available	Total Prop G Building Fund (Bond Proceeds, Interest Earned, Grants, Etc.)	\$ 256,809,326	\$ 256,809,326
	Funds designated for former HOTC project (Not Presently Committed by Board*)	\$ (7,500,000)	\$ (7,500,000)
	Interest earned designated for former HOTC project (Not Presently Committed by Board*)	\$ (246,400)	\$ (246,400)
	Funds Available for Current Projects	\$ 249,062,926	\$ 249,062,926
Worst Case Forecast for Projects Completed or Under Construction	E Tower Phase 1	\$ 249,566	\$ 249,566
	Early Utilities and North Dock	\$ 13,478,921	\$ 13,478,921
	ED-CCU	\$ 40,514,579	\$ 40,514,579
	CEQA	\$ 104,211	\$ 104,211
	Central Energy Plant	\$ 57,035,912	\$ 56,853,963
	Heart and Vascular	\$ 62,080,719	\$ 61,806,499
	East Tower Renovation	\$ 40,682,448	\$ 40,680,345
	South Dock / Level B Seismic Upgrades	\$ 11,995,301	\$ 11,991,201
	Bond Issuance Costs (Current Projection)	\$ 811,093	\$ 811,093
	Total Worst Case Scenario for Projects Completed or Under Construction	\$ 226,952,750	\$ 226,490,378
	Remaining Prop G Building Funds before H&V Level 1 Surgery Floor Build Out Project	\$ 22,110,176	\$ 22,572,548
Projects Not Under Construction	H&V Level 1 Surgery Floor Build Out (Current Estimate, Bid and Board Award Pending)**	\$ 32,827,532	\$ 32,827,532
	Sharp Commitment per 3/18/2015 Meeting (H&V Level 1 Surgery Floor Build Out Cost Offset)	\$ (4,000,000)	\$ (4,000,000)
	Subtotal - H&V Level 1 Surgery Floor Build Out Including \$4M Cost Offset	\$ 28,827,532	\$ 28,827,532
	Potential Shortfall	\$ (6,717,356)	\$ (6,254,984)

*** Funds Presently Not Committed by Board**

Funds designated for former HOTC project (Not Presently Committed by Board)	\$ 7,500,000	\$ 7,500,000
Interest earned designated for former HOTC project (Not Presently Committed by Board)	\$ 246,400	\$ 246,400

**** Projected Cost of Level 1 Build Out will change based on the OSHPD Permit realignment**

4. Budget – October Increases in Worst Case Forecasted Costs.

PROJECT	Increases
Central Energy Plant	Two new PCO's for \$26k / Various increases and/or adjustments to current projections.
Heart and Vascular	Ten new PCO requests totaling \$111,071. Minor increases to existing PCO projected costs.
East Tower	Five new PCO's for \$10k / Minor increases and adjustments to current projections.
Other	Various adjustments in various projections

Status of Contingency Funds (9-23-15)



Potential Credits

- Self-Generation Incentive Program (SGIP) - \$1M over 5 years depending on operating efficiency
 - Contingent on meeting April 15 deadline
- Emissions Credits - Potentially up to \$3M
 - Depending on current market value
- Sale of existing Central Plant Equipment- \$50k
 - Per Engineering estimate
- Proceeds from the sale of power - TBD
- Cogen Contingency Balance- \$2.7M
 - May change as a result of potential change orders

5. Looking Ahead

- Continue discussions with contractors on requests for compensation due to delays.
- Vacate the City owned McCarthy staging area by November 16th.

Questions ?