

Prop G Project Monthly Reports



February 2015



Reflection

Cover my earth mother
four times with many
flowers.

Let the heavens be
covered with the banked-
up clouds.

Let the earth be covered
with fog; cover the earth
with rains. – Zuni Poem

Overview

1. Major Events from February
2. Schedules
3. Project Status
4. Budgets
5. OSHPD News
6. Looking Ahead

1. Major Events from February

1. East Tower Level 4 Air Handler successfully lifted to the roof
2. Conducted “Resources Meetings” with Contractors and Designers
3. Started CEP “Pull Planning”

The full court press to finish ... where are we?

January Roundup Meetings



Assess any open issues &
Identify corrective
actions

February Resource Meetings



CEP Pull Planning

H&V is w/o problems, except
for its schedule dependence
on CEP

CEP continues to have delays
due to open design issues

Contractors & Designers are
seeking compensation for
extra time on the job

CEP corrective actions
include: weekly monitoring
to resolve design issues

Major Events from February

4. Completed detailed corrections with HOK for 3rd Back-check submittal of Level 1, Surgery Build Out
5. Established bid schedule for Surgery Build Out
6. OSHPD release of proposed SPC 4D structural classification

2. Schedule

Updated 1-23-15

Projects	2014			2015				2016				2017				2018			
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2		
CEP & Co-Generation	Construction							→	Feb 12, 2016										
E. Tower - All Floors	Construction																		
Heart & Vascular w/ Level A & B	Construction						→	Oct 17, 2015											
H&V - Surgery Build Out																			
Prop G Scope				→					Construction										
Sharp Scope				→					Construction										
																		★ CDPH	

CEP and H&V dates are per McCarthy
 "Roundup" meeting projections



3. Project Status – East Tower

- Overall project complete is 65%
- Forecast Completion is 426 days behind original Contract completion.
- 4th Floor completion remains at May 20,2015
- Toilet Carrier installation is complete
- 4th Floor Air Handler was lifted to the roof and installation is in progress
- MEP rough in, framing and drywall are in progress.



East Tower – 4th Floor Status



Interior Status



3. Project Status - Central Energy Plant



- Overall project completion is 89%
- Forecast completion is 215 days behind the contract completion date
- Piping and conduits for the utility tunnel are being installed
- Tunnel lids are being pre-cast off site
- Chiller # 2 was removed from the old plant.

CEP

The new plant was featured in Sharp's bi-monthly magazine, the "experience".

NEW ENERGY PLANT TO SAVE MONEY, REDUCE POLLUTION

BY JENNIFER JENSEN CHATFIELD



The new year brings many exciting facility enhancements and expansions to Sharp Grossmont Hospital, including the new Central Energy Plant that will help meet the future needs of this growing hospital.

Built on the southeast side of the medical center's sprawling campus, the \$46-million dollar, 18,400-square-foot plant is being built by McCarthy Building Companies, Inc., and financed by Proposition G. East County voters approved Prop G in 2006, a \$247-million dollar bond measure that will finance several hospital improvement projects, including this large undertaking.

"The Central Energy Plant project is a significant step in ensuring Sharp Grossmont has the energy capacity it needs to service the new Heart and Vascular Center and other projects at the hospital," said Barry Jantz, CEO of the Grossmont Healthcare District, which oversees several large-scale projects at the publicly funded hospital.

"The central plant's new state-of-the-art, energy efficient equipment will save millions of dollars in energy costs, while supporting the hospital's mission to provide the highest-quality patient care to our communities for decades into the future."

Once completed, the plant will contain auxiliary boilers, a heat recovery steam generator, electrical switch gear, and a control room. On the top level, medical air and medical vacuum equipment have been installed to furnish these medical necessities to patient rooms.

Cooling towers, a chemical treatment yard, and two new emergency backup generators will be housed on the eastern edge of the plant.

The Central Energy Plant will also house a state-of-the-art co-generation combustion turbine

generator. The 4.4 megawatt turbine will provide power to the campus while also sending excess power back to the grid until future buildings are added to the hospital campus.

"While the co-generation equipment was not part of the Prop G construction, it will complement the efficiency of the Central Energy Plant," said Dave Suydam, Director of Construction Projects at Sharp Grossmont Hospital. "Additionally, we will be able to reduce the hospital's emission of harmful greenhouse gas pollutants by 90 percent."

Construction of the plant began in July 2012 and is scheduled for completion in late 2015. Once completed, it will be beautifully landscaped and have upper north and lower west parking and equipment access areas. ■

"We'll be able to reduce the emission of greenhouse gas by 90 percent"

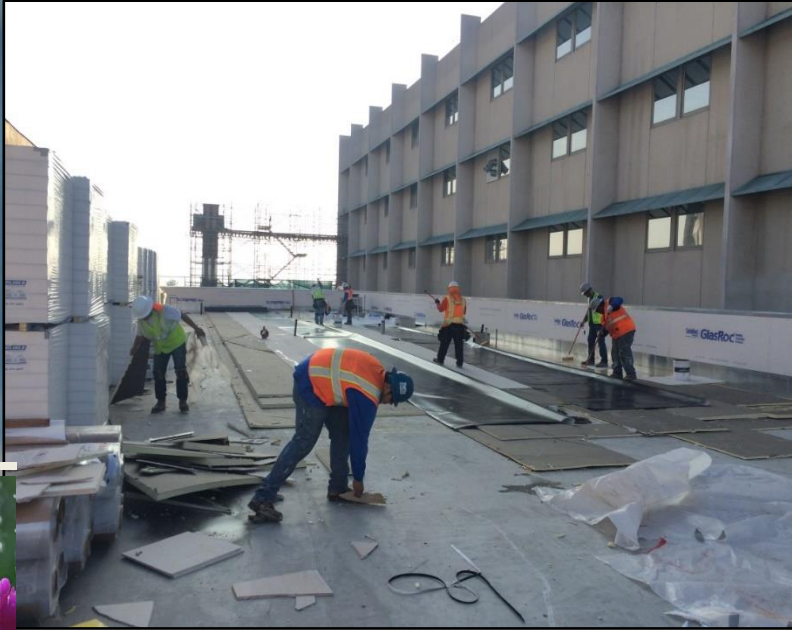


3. Project Status - Heart and Vascular

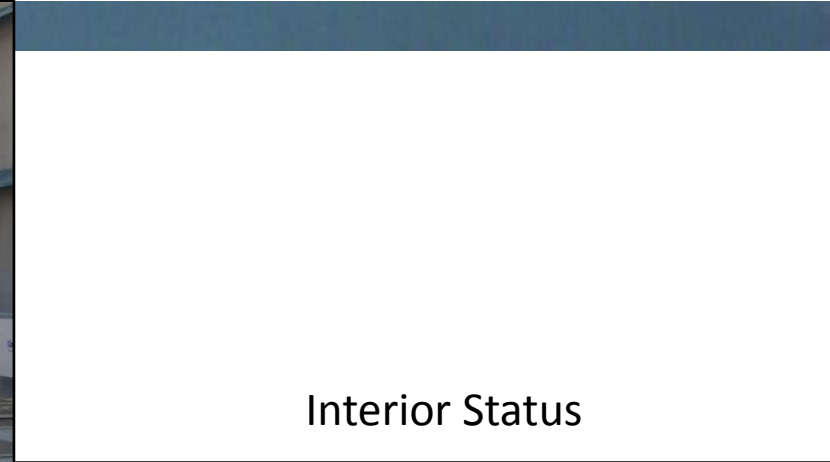
- Overall project completion is 72%
- Forecast completion is 215 days behind the contract completion date
- Exterior louvers and windows were installed
- Roofing was completed
- Mechanical equipment is being installed at the roof



3. Project Status - Heart and Vascular



Roofing Installation



Interior Status



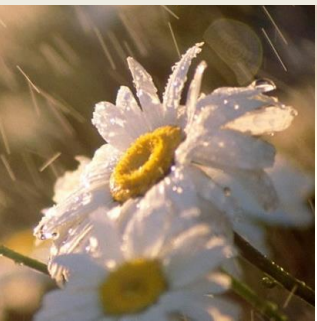
3. Project status – Pneumatic Tube

- Level B tubing is complete
- Preparation for East Tower Level 2 station installation is underway



3. Project Status - Surgery Build Out

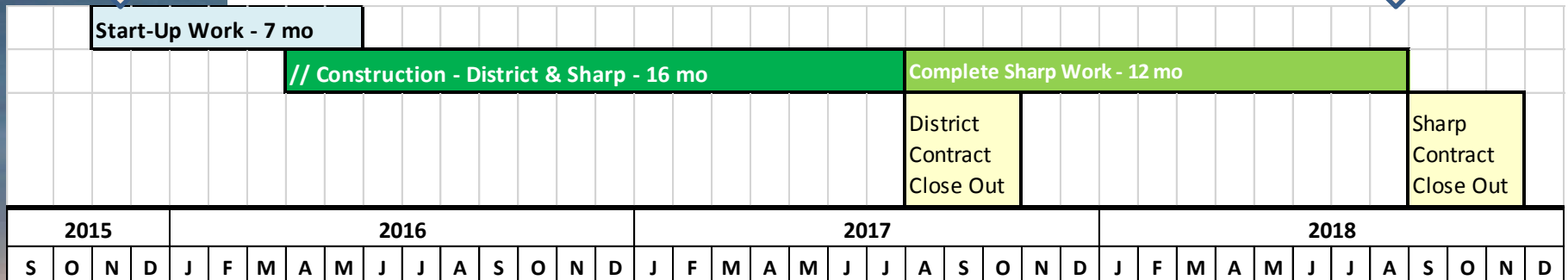
- 3rd Back-check ready to be submitted
- This Back-check incorporates dozens of corrections to the plans identified by DCS over the last 6 months. These corrections will:
 - Minimize change orders on the future job,
 - Improve constructability, and
 - Improve operational controls.
- New bidding schedule established:
 - GHD Invitation to Bid & Sharp RFP to be released June 5, 2015,
 - GHD Bids due August 21, 2015,
 - GHD Board contract award September 8, 2015,
 - Sharp Bids due September 18, 2015, and
 - SGH Board contract recommended for award on October 20, 2015 & SHC Board contract approval October 28, 2015.



Surgery Build Out Schedule

With a Sept Board award, work starts in November

“GO Live” in the summer of 2018



Prop G work completed in the fall of 2017



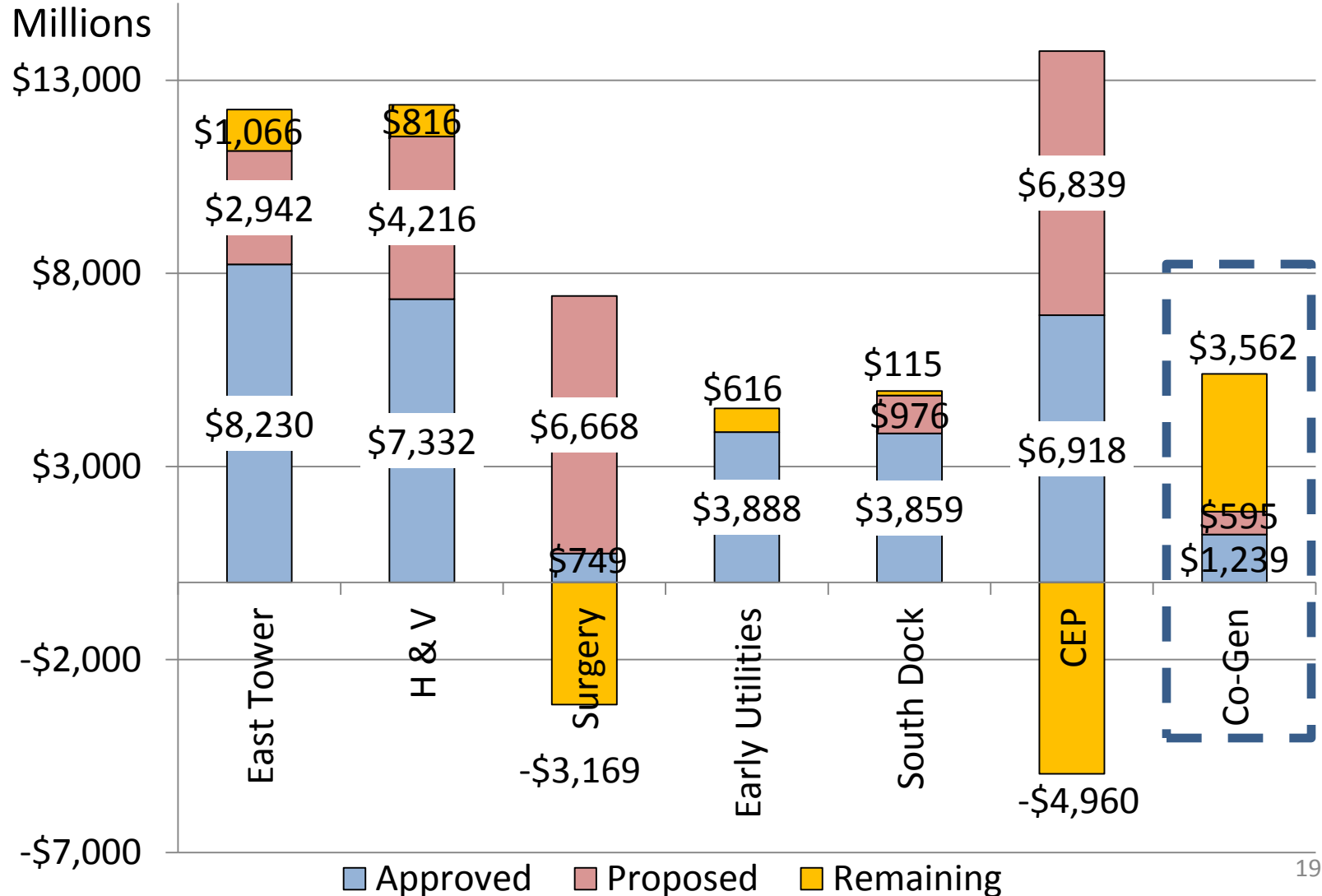
4. BUDGET: CONTINGENCY FUNDS

- Additional funds of ~\$7M are needed prior to bidding Surgery
- Surgery will be bid with options to shell various procedure rooms
- Current Prop G Contingency shortfall = \$5.631M
- This forecast does not include:
 - Additional funds in construction administration requested by the designers for the CEP,
 - Other unknown claims,
 - Any other unforeseen costs in the next year,
 - Any potential recovery of funds due to errors and omissions.

Options for Funding the Prop G Shortfall

Source	Funds	Status
Extra Co-Gen loan proceeds RBS	~\$3.5M	To be determined with Sharp
SGIP Credit	~\$1.1M	Credit approved by the State; but paid in increments & committed to pay down the loan
Sale of old CEP equipment	NA	Value of equipment is offset by cost of demo and removal
Air Emission Credits	TBD	Limited market today; could be worth \$1M to \$3M in the future
Interest Income	~\$1M	Could be assigned to the Shortfall

4. BUDGET: CONTINGENCY FUNDS- 2/20/15





5. OSHPD News

- SPC 4D is a proposed amendment for the 2016 CBC
- SPC 2 buildings can be seismically retrofitted to meet SPC-4D requirements and can continue to provide acute care services post 2030
- Grossmont's SPC 2 buildings appear to be qualified for SPC 4D retrofits.
- The standard for SPC 4D is the 1980 CBC.



*** = SPC 2**

BLD-03685 - East Wing Addition - Bldg 06A

BLD-02830 - New Central Plant - Bldg 14

BLD-02829 - Heart and Vascular Center - Bldg 13

BLD-03767 - West Wing - East - Bldg 02B *

BLD-02103 - East Wing - Bldg 06

BLD-02102 - Central Plant & Cooling Plant Expansion - Bldg 05

BLD-02098 - Emergency Generator Building - Bldg 01

BLD-05510 - MRI / Angio Addition - Bldg 15

BLD-05336 - ED/CCU and ACNU Building - Bldg 12

BLD-05678 - Utility Tunnel - Bldg 16

BLD-02101 - South Wing - Bldg 04 *

BLD-02622 - Main Entry - Bldg 09

BLD-02099 - West Wing - West - Bldg 02A *

Grossmont Hospital Facility No. 12322

BLD-02105 - Meeting Room Addition - Bldg 08A

BLD-03683 - Womens Health Center - Bldg 08

BLD-02100 - North Wing Bldg 03 *

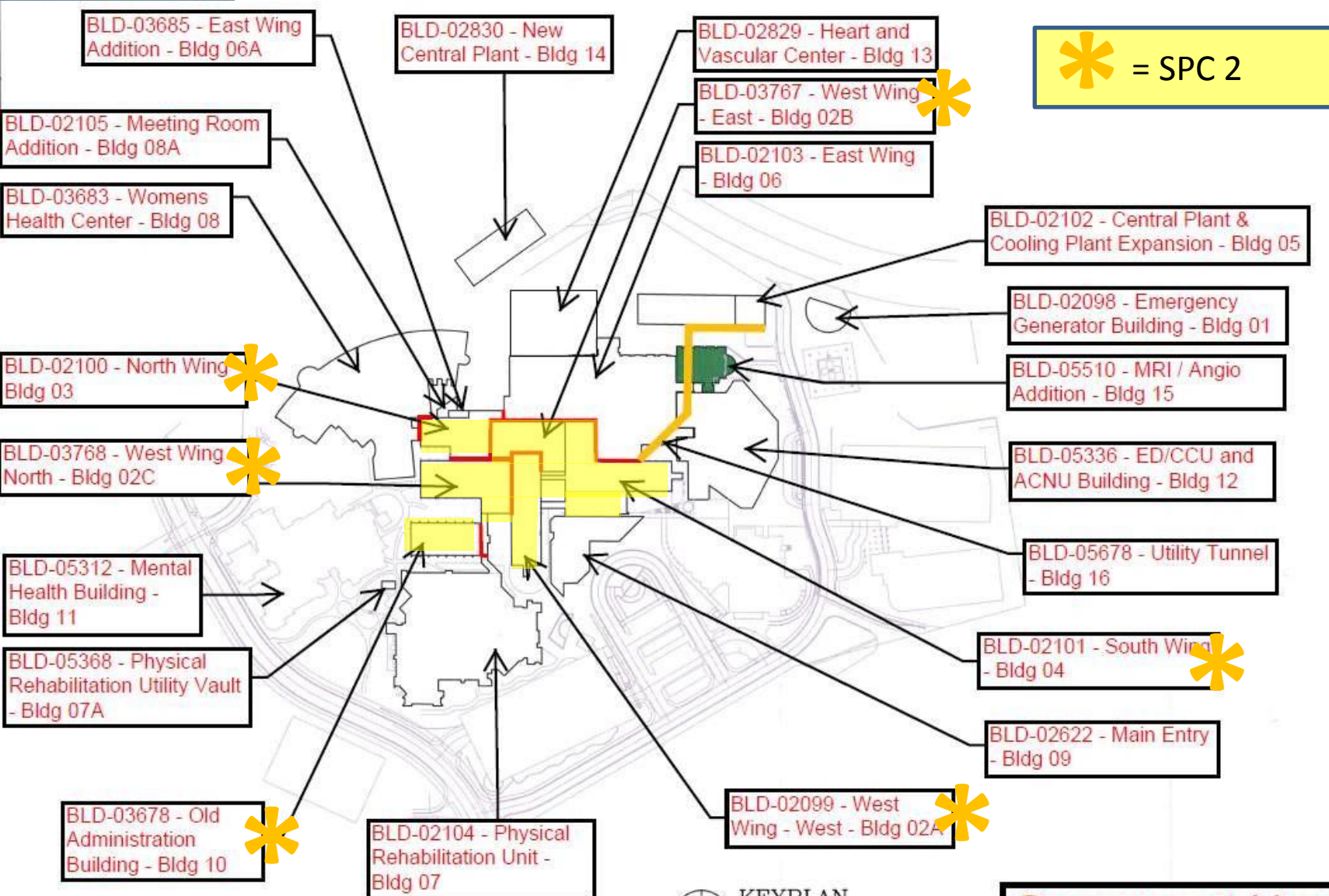
BLD-03768 - West Wing North - Bldg 02C *

BLD-05312 - Mental Health Building - Bldg 11

BLD-05368 - Physical Rehabilitation Utility Vault - Bldg 07A

BLD-03678 - Old Administration Building - Bldg 10 *

BLD-02104 - Physical Rehabilitation Unit - Bldg 07



6. Looking Ahead

- Review results of CEP Pull Planning & identify any opportunities for schedule recovery
- Continue to resolve pending change orders for extended costs due to delays (with special focus on the CEP)
- Level 1 Surgery Build Out, 3rd Back-check in final permit review with OSHPD
- Discussions on funding of Prop G shortfall with Sharp
- Investigate SPC 4D possibilities further with Sharp



Questions?

