

MINUTES OF CONSTRUCTION SUBCOMMITTEE

There was a regular meeting of the Pine Valley construction subcommittee with CG Schmidt on Monday, May 9, 2016, starting at 1:00 p.m. in the Pine Valley Conference Room.

The meeting was called to order at 1:00 p.m. by Fred Clary.

Paul Korz, Ben Delzer/CG Schmidt, Fred Clary, Jeanetta Kirkpatrick, Larry Sebranek, Donald Seep, Ruth Williams, Kathy Cianci, Steve Alexander, Angie Alexander, Joan Bailey, Barb Scott, and Irene Walmer were in attendance. New members Jim Huffman and Richard McKee were introduced. Bob Bellman arrived at 2:10.

Ruth Williams moved to approve the agenda and verify the posting. Richard McKee seconded the motion. Motion carried.

Paul Korz clarified that the savings from ceramic tile has been put in painting allowance. Paul Korz questioned the minutes concerning the heat pump in IT closet. This will be further reviewed at this meeting. Larry Sebranek moved to approve the minutes of the March 14, 2016 meeting. Tom Crofton seconded the motion. Motion carried.

Design Items:

Construction bulletin #6: This bulletin was issued by EUA approximately 3 weeks ago regarding changing exterior cladding on awning, expansion walls and A-wing exterior from EFIS to metal panel siding. Bids were received on Friday. Paul Korz explained how the metal panels are applied. Fred Clary clarified to the new members the metal panel option was chosen as insulating is easier to accomplish than trying to insulate on the interior and a factor in obtaining a grant from Focus on Energy. EUA submitted 4 color scheme design options for exterior metal panels. Bids were submitted from Muza Metals - \$236,163.00 + \$25,850.00 for vapor barriers for a total of \$262,013.00, Architectural Metals - \$244,775.00 + \$25,850.00 for vapor barriers for a total of \$253,625.00, and Bachman Construction - \$277,660.00. Metal prices have increased in cost. Donald Seep would like to see a ballpark number with the cost of caulking, when needed, if EFIS were used. Paul Korz will check the numbers if available. Angie Alexander talked about a middle of the road option that was previously discussed of hardy plank or a cementitious siding. Paul Korz has had no hard bids on this yet. Color options were discussed but no decision was made at this time.

Countertops: Option #1 – Add Quartz in lieu of Solid Surface per plans - \$45,563.00.

Option #2 – Add Quartz in lieu of Solid Surface per plan and add Solid Surface (group 1-4) to wet areas - \$86,981.00

Option #2A – Add Quartz in lieu of Solid Surface per plan and add Solid Surface (group 5) to wet areas - \$98,466.00.

Option #3 – Solid Surface (group 1-4) in neighborhood kitchens and all wet areas - \$42,123.00.

Option #3A – Solid Surface (group 5) in neighborhood kitchens and all wet areas - \$61,564.00

Laminate will be used in all other areas such as office spaces. The OAC committee leaned toward group 5. Donald Seep made a motion to accept Option #3 for \$42,123.00. Larry Sebranek seconded the motion. Donald Seep requested a roll call vote. Aye votes: Donald Seep, Larry Sebranek, Jim Huffman and Richard McKee. Nay votes: Fred Clary, Jeanetta Kirkpatrick, Ruth Williams, Kathy Cianci, Angie Alexander and Steve Alexander. Donald Seep rescinded the motion. Donald Seep made a motion to accept option #3A for \$61,564.00 instead of option #3. Richard McKee seconded the motion. Roll call vote was requested. Aye votes: Fred Clary, Jeanetta Kirkpatrick, Ruth Williams, Kathy Cianci, Angie Alexander, Fred Clary, Donald Seep and Richard McKee. Nay votes: Larry Sebranek and Steve Alexander. Motion carried.

Data Closets/Consideration of Data Ports: Discussion was held on the issues with the location of the heat pumps in the data closets. Additional equipment protection required in D-wing and possibly in A-wing would cost approximately \$1,200.00. EUA and Matrix investigated this and suggested a mini-split cooling only system for D, C and B wings. Additional cost would be \$25,917.00 which would include the \$1,200.00 for the equipment protection in D-wing. Three options were discussed. 1 – leave as is with heat pumps as per plans and deal with any problems in the future, 2 – put drip pans in place, 3 – mini-split system. Jeanetta Kirkpatrick made a motion to approve using the split system. Donald Seep seconded the motion. Discussed covering the condenser and location options on B and C-wings. This would be placed between B and C wings. Landscaping could cover some of it at no additional cost. Fred Clary voted no. All others voted aye. Motion carried.

Barb Scott gave an update on where we are with the data ports and phone system. Currently waiting for pricing. Additional data ports are needed as there is not enough shown in the plans. Phone bids are not available at this time but will be reviewed this week and addressed at the next subcommittee meeting.

Drywall/skim coating: Plans call for skim coating on exposed walls in A-wing. CG Schmidt is recommending to dry wall instead which would result in a savings of approximately \$11,000.00 which includes painting. Donald Seep moved to approve dry wall on exposed walls instead of skim coating for \$9,500.00 resulting in a savings of \$11,000.00. Richard McKee seconded the motion. Motion carried.

Construction Items:

Moisture Mitigation for flooring: Moisture readings in the new concrete appear consistently high at around 95% relative humidity. Sheet vinyl and carpets need to get to 85% or below before installation. Paul Korz reports the main concern is with the sheet vinyl areas as this product does not allow the concrete to breath after it is laid. He suggests using the envirostix in the sheet vinyl areas and a roll on product for the carpeted areas. It is possible to get the moisture to 90% or below in the carpeted areas and use an upgraded glue at less cost. These are field applied materials and have about a 3 week lead time. D-wing is ready for flooring. Jeanetta Kirkpatrick made a motion to go with flooring shipped for moisture mitigation up to \$130,000.00 for B, C and D wings and to revisit A wing when needed. Richard McKee seconded the motion. Discussed the use of humidifiers to help with the moisture issues. A massive amount would be needed and according to past experience has not been effective. Motion carried.

Buyout Update – Signage and Metal Panels: Five potential bidders submitted bids with 2 local companies bidding. BL Signs - \$38,774.00, Greely Signs - \$29,045.00. There is a difference in labor rates and materials from the bidders. No bids from Vondra, Graphic House and Poblocki. Construction signage budget is \$29,000.00 and Owners signage budget is \$24,000.00 We will need to update with the new name change for all signage. Exit signs, door signage and other interior signage details are needed before exterior signage decisions are made. Exterior mason is scheduled to be here in June to do the entrance signage. Parking lot and directional signage has not been bid out yet. Resident room signs are not included in the plans. Paul Korz will see if he can get a sample sign for rooms. Decisions will be made at the next meeting.

Cost Control and Potential Change Order Update:

Owner's log – Pending change orders:

1. Truck dock drive extension is an additional \$2,990.00 for stone and asphalt. Stone to be put down in the next couple of weeks.
2. CB#4 was issued in March for minor changes in the flooring material. There was to be a cost saving but is an increased cost of \$1,434.00. Jeanetta Kirkpatrick moved to accept flooring changes which eliminate lip from one room to another. Richard McKee seconded the motion. Motion carried.
3. CB#5 includes added painted accent walls to public areas and resident room for way finding and depth perception. Paint side is \$3,160.00 for just accent walls. Richard McKee made a motion to approve added painted accent walls. Ruth Williams seconded the motion. Motion carried.

4. Mirrors changed to beveled edge at no cost for change. Specs called for aluminum channels but beveled would look more homelike. Jeanetta Kirkpatrick made a motion to change mirrors from aluminum channel to beveled edge. Jim Huffman seconded the motion. Motion carried.
5. RFI 95 is for dedicated cooling units for data closets for an additional cost of \$25,917.00.
6. RFI 102 - \$5,000.00 estimated cost for countertop and veneer changes. Waiting to see if there is a cost impact.
7. Neighborhood kitchen countertop material to \$61,156.00. This option is an additional \$20,000.00 from original cost. Donald Seep moved for reconsideration of countertop option #3 for \$42,123.00 with roll call vote. Jeanetta Kirkpatrick seconded the motion. Voting aye for option #3: Fred Clary, Jeanetta Kirkpatrick, Larry Sebranek, Donald Seep, Ruth Williams, Kathy Cianci, Angie Alexander, Richard McKee, Jim Huffman and Bob Bellman. Voting no: Steve Alexander. Motion carried.
8. RFI 109 - Genuine Telecom recommends maintaining one location for fiber optics entering the building instead two locations as in the original plan which requires additional wiring to be done. Paul Korz will look into additional charges.
9. RFI 104 – Jim Huffman made a motion to approve dining room ceiling changes for acoustical modifications at \$350.00. Richard McKee seconded the motion. Motion carried.
10. RFI 105 Aluminum doors in dining room is a dimensional change estimated at \$1,000.00.
11. PCO 1058 – Corner guards. No specific number for all corner guards in the plans. Submitted for 100 and sent for an additional 100 plus for a cost of \$6,707.00. Richard McKee made a motion to accept the cost of additional corner guards for \$6,707.00. Jeanetta Kirkpatrick seconded the motion. Motion carried.
12. Custom sized medical cabinets in resident room shows a coordination conflict on framing and size of cabinet with a slight cost impact of \$2,260.00. Donald Seep made a motion to approve the cost impact of the medicine cabinets. Ruth Williams seconded the motion. Motion carried.
13. Richard McKee made a motion to revert to base bid water heaters as suggested in September value engineering and Ahern recommendations to go with the Optimax for an additional cost of \$6,100.00. Jim Huffman seconded the motion. Motion carried.
14. Moisture mitigation flooring and carpet per Nonn's on 4/26/16 as discussed previously for an additional cost of \$129,895.00. Motion was approved in previous discussion under moisture mitigation.

15. Deduct RF-3 from flooring subcontractor of \$76,500.00 back from Nonn's which will be put toward the cost for ceramic tile. Larry Sebranek made a motion to go with ceramic tile instead of resilient sheeting. Jim Huffman seconded the motion. Motion carried.
16. Owner cost – Gasoline contaminated soils in Geo-field at an estimated cost of \$11,260.00 or more.
17. RFI 101 – Knox Box with a special key location for the fire department for \$500.00.
18. RFI 115 - Half wall reveal – Change from decorative to aluminum in wall estimated at an additional cost of \$2,500.00 or could be a deduct.
19. RFI 116 – Laminate wall panels in kitchen walls for an additional cost of \$3,500.00.
20. RFI 119 – Dining Room door signage according to Dave Beyer need to have dedicated non- exit signs. Doors open into a courtyard need a lit sign and inside needs to show that it is not a fire exit. Donald Seep made a motion to approve the cost of \$3,012.00 for dining room door signage as directed by state inspector. Ruth Williams seconded the motion. Motion carried.
21. Additional data ports in ancillary rooms at an estimated cost of \$6,000.00. This is for rooms such as media room, family room, library, and care taker room. B & C wing show no voice or data in the current plan. Jeanetta Kirkpatrick made a motion to approve the additional data ports necessary. Donald Seep seconded the motion. Motion carried.

Low bid for metal panels goes to Architectural Metals. Jeanetta Kirkpatrick made a motion to accept the bid from Architectural Metals for \$253,625.00. Donald Seep seconded the motion. Motion carried. Metal panel option renderings were reviewed. Consensus was to get rid of the darker color and go to a lighter color. Suggested to have EUA make different color renderings. Total pending change orders from owner's contingency: Construction – Minus \$190,631.00. Owner budget – Minus \$11,269.00. Total – Minus \$201,900.00.

Remaining owner contingency after pending items:

Construction budget:

- Allowances – Winter conditions, poor soils, flooring and metal panels = <\$239,067.00
- Main Parking lot earthwork requirements – estimated = <\$50,000.00. If concrete is clean, could be crushed and reused.
- Phasing and unforeseen A-wing renovations estimated = <\$30,000.00
- Subtotal = <\$319,057.00

Owner budget -

- Bond interest savings estimated = +\$305,485.00

Potential kitchen buyout savings estimated residential appliance bid – Sears = <\$2,777.00.

Total identified and pending changes = <\$16,349.00

Anticipated remaining owner contingency after estimated items = <\$47,952.00

Anticipated remaining owner contingency percentage = <4.97%

Construction Contingency Log:

- Original construction contingency amount = \$467,638.00

- Approved PCO's – <\$67,838.00

Anticipated remaining construction percentage – 85.50%

Total estimated changes - \$120,000.00

Anticipated remaining contingency – 279,998.00

Anticipated remaining contingency percentage - \$58.85%

Painting the mechanical hoods that are red in color now on the roof is the newest PCO costing approximately \$1,873.00. Will revisit this area with more information.

Estimated changes:

- Temporary roads - \$20,000.00

- A-wing renovation temporary refrigeration units for dietary - \$40,000.00.

- Renovation of Therapy wing.

- Floor prep to corridor surfaces in C and D wings due to alkali reaction - \$30,000.00

- Intumescent paint, a fire proofing paint - \$20,000.00

- Grading and clean up of fill site - \$10,000.00

Allowance Log:

Allowances within contract items – winter conditions, GMP amount = \$209,800.00

- Committed and projected total = \$237,696.00

- Difference of <\$27,896.00

Allowances within contract items – poor soils, GMP amount = \$396,276.00

- Committed and projected total = \$431,283.00

- Difference of <\$35,007.00 – Trucking of contaminated soils included.

- Electric Fireplace – Looking at one 2-sided fireplace.

Allowances as contract items – Demolition of existing building for A-wing remodeling, electric fireplace, EFIS/Metal wall panels, Skim coat walls, painting, ceramic tile and interior signage
total allowances as contract items, GMP amount - \$860,221.00

- Committed and projected total = \$1,036,375.00

- Difference of <\$176,154.00

Total allowances – GMP amount - \$1,466,297.00

- Committed and projected total - \$1,705,354.00

Allowances Overage– <\$239,057.00

A-wing Renovation Phasing Update:

Currently occupying old staff break room to begin phasing of the renovation of A-wing and preparing for work on the therapy gym.

Moving the food storage area 5/15 – 5/30.

Renovation to begin June 1 – August 15.

4/21/16 DHS Inspection Update:

Lighted exit signs was the main issue. Working on other areas of concern.

Owner Items:

Furniture, Fixture and Equipment:

- Food service equipment budget - \$297,500.00
- Laundry equipment budget - \$15,000.00
- Fein Brothers commercial equipment - \$260,870.00
- Remaining from food service for residential - \$36,630.00
- Savings of \$20,000.00
- Savings between laundry and food service - \$3,660.00

Consideration of Appliance Bids – One bid was submitted from Sears. Richard McKee made a motion to accept the bid from Sears. Larry Sebranek seconded the motion. Motion carried.

Furniture Bid Package update and schedule – Bid package should go out today with the bid to be back May 20th. This will be placed on the agenda for the next meeting.

Consideration of phone bids – Phone bids are not available at this time. They will be reviewed this week.

FFE and phone bids will be placed on the agenda for May 27th meeting.

Environmental – Contaminated soils – fuel saturated soils NW corner of site: Contaminated soils have been removed. Site environmental remediation cost could be as high as \$276,000.00 which will include 223 tons removed and consulting fees.

#12 cost impact – Additional Environmental Costs pending – Demolition and abatement package for existing building ad will run 5/12. Bid period is 6/6-6/16 with bids due 6/16. The bids will be presented at the July subcommittee meeting.

Consideration of invoices and contracts/agreements: Joan Bailey presented invoices for payment.

Jeanetta Kirkpatrick made a motion to pay Dirty Ducts \$2,950.00 for pipe fittings in hallways. Ruth Williams seconded the motion. Paul Korz noted that Dirty Ducts is working on a time and materials basis. Motion carried.

A notice will be submitted to the Richland Observer for demolition and abatement of the existing building on June 2, 2016 with bids to be back on June 16, 2016. Combining of the abatement and demo or both together for the work will be reviewed at the July meeting.

Richard McKee made a motion to pay True North \$4,311.40 on a late invoice for site assessment. Larry Sebranek seconded the motion. Motion carried.

Jeanetta made a motion to pay invoices included through May to EUA for \$12,798.62, including the request for change order. Ruth Williams seconded the motion. Motion carried.

CG Schmidt requests a review of pay application #7 on May 27th along with FF&E bids.

Larry Sebranek moved to pay Richard Street Supply in the amount of \$282,790.34 for supplies. Jim Huffman seconded the motion. Motion carried.

Donald Seep moved to pay Waste Management \$5,348.86 for gasoline to haul contaminated soils. Jim Huffman seconded the motion. Motion carried.

**Conferring with legal counsel about possible litigation:* Donald Seep made a motion to move to closed session. Fred Clary reported Corporate Council Ben Southwick did not feel the need for his attendance and that this does not constitute closed session. Donald Seep made a motion to strike the move to closed session. Richard McKee seconded the motion. Motion carried.

Landscaping was discussed. Excavators will spread all of the top soil. Landscaping will be an agenda item for May 27th meeting.

Selection on next meeting dates (need one late May): Next meeting has been scheduled for May 27, 2016 at 1:00p.m. Agenda items will include FFE bids and phone bids along with pay applications. The next meeting will be two weeks after May 27th meeting.

Adjourn: Ruth Williams made a motion to adjourn the meeting. Larry Sebranek seconded the motion. Motion carried.

Meeting concluded at 4:45 p.m.

Respectfully submitted,

Kathy Cianci, Pine Valley Administrator