

MINUTES OF THE CONSTRUCTION SUBCOMMITTEE

There was a special meeting of the Pine Valley construction subcommittee on Monday July 11, 2016, starting at 2:00 pm in the Pine Valley family room.

The meeting was called to order at 2:00 pm by Fred Clary.

In attendance were: Ruth Williams, Richard McKee, Larry Sebranek, Fred Clary, Jeanetta Kirkpatrick, Don Seep, Jim Huffman, Bob Bellman, Kathy Cianci, Paul Korz, Ben Delzer, Joan Bailey, Steve Alexander, Angie Alexander and Irene Walmer. Barb Scott and Jason Marshall attended the meeting in regards to agenda item #5

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

Jeanetta Kirkpatrick moved to approve the minutes of the June 13, 2016 meeting. Larry Sebranek seconded the motion. Motion carried.

Donald Seep questioned when landscaping would start. Niesen and Sons contract is in place. They will be spraying and working in other areas possibly next week.

Consideration of: cable T.V., therapy gym lift system and install, A-wing demo and abatement, patch cable purchase, networking equipment, HVAC network access:

Cable TV: Two bids were received for cable TV, Charter (\$50,000.00) and Genuine Telecom (\$). Genuine Telecom bid includes a 3 year warranty with no installation charge which would be included in the monthly fee. A one year warranty would be \$13,000.00 installation. The monthly rate would be \$19.50 per unit for active rooms which is based on occupancy. There would be no charge for public TV's. Barb Scott explained how this would be installed by Genuine Telecom. Fred Clary noted that the monthly fees would be an operational expense which needs to go to the Trustees and will be placed on the agenda for discussion. *Therapy gym lift* cost is \$6,647.00 installed. \$10,000.00 was set aside for the lift and results in a savings of \$3,353.00. Larry Sebranek made a motion to approve the purchase and installation of the lift system for \$6,647.00. Richard McKee seconded the motion. Motion carried.

A-wing demo and abatement is part of the owner's budget. A&A Environmental completed a survey in March. Scope documents and details went out for bids and were back on June 16, 2016. Two bids were received, Dirty Ducts for \$264,000.00 who have been working in A-wing and abated West Home and Robinson Brothers bid for \$386,000.00. Initial budget was \$75,000.00. Dirty Ducts bid of \$264,000.00 would result in a difference of \$189,000.00 overage. Paul Korz recommends additional testing done to see what destructive materials there are and to contact A&A Environmental concerning destructive materials.

Two bids were received for demolition of bed wing. Speedway - \$220,000.00 and Robinson Brothers - \$200,000.00. Budgeted for \$265,000.00 and could result in a savings of \$65,000.00 if Robinson Brothers bid is approved. There could be a deduction if clean materials could be reprocessed on site. Fred Clary suggested contacting the County Highway Department if they could possibly use any clean rubble for a road bed project next spring. A decision will need to be made soon. Discussed to notify Robinson Brothers that they are the low bidder but that there are a couple of areas in question to review internally and to discuss at the next subcommittee meeting on July 25th. Jeanetta Kirkpatrick made a motion to accept Paul Korz recommendation to contact A&A Environmental and notify low bidder concerning areas in question to be discussed. Richard McKee seconded the motion. Motion carried.

Patch cable purchase. Barb Scott explained the need for cabling from the net rack to the equipment. There are no numbers to report and this may not be budgeted for. Cost could be minor as the purchase would be made from a state vendor at a cost savings. Donald Seep made a motion to accept the patch cable purchase not to exceed \$500.00. Jim Huffman seconded the motion. Motion carried.

Networking equipment is required to run all of the networking systems. Bidders included JComp - \$69,995.03 and SHI - \$69,995.03. Barb Scott recommended JComp and explained details of the systems. \$25,600.00 was

the original budget for networking. There was much discussion on the cost and ways that could be found to come up with the additional cost that will be needed for the systems. Barb Scott and Jason Marshall will review line items with Paul Korz to identify any possible savings and excess items over the next couple of weeks and will discuss again at the next meeting.

HVAC network access would require a separate access to remote in for the HVAC vendor at no cost. Jeanetta Kirkpatrick moved to grant permission to go ahead with a separate access to remote in for the HVAC vendor. Richard McKee seconded the motion. Motion carried.

Project budget update-Owner's Contingency Log, Construction Contingency and Allowance Log and discussion of funding remainder of project:

Paul Korz presented a pie chart, putting costs in perspective. (See attached power point).

Blue area represents scope and market adjustments which came in higher than anticipated at @\$300,000.00.

The red area shows unforeseen and site environmental expenses that came out of construction contingency for \$300,000.00

Other items in purple are items that have challenged the budget estimated at \$300,000.00.

Green area shows added value or owner discretion that was not part of the original budget with additional cost, such as bigger generator, solid surface countertops, metal panels instead of EFIS and moisture mitigation to name a few. Estimated at \$400,000.00.

Pending CO's that need approval:

1068 – Door access control changes for an additional \$17,500.00 rejected by the OAC at the last meeting and with H&H who has disputed this. Will negotiate with H&H at the OAC meeting this week.

1072 – Library door opening – option #2 estimated at an additional cost of \$5,000.00.

Allowance overages (winter conditions, poor soils, flooring, metal panels) – \$136,504.00.

RFI 131 - Outside drainage pipe was discussed if it should stay or be disconnected then reconnected and hidden some way. This was accepted and approved by the Engineer and Architect to use the current pipe. Discussed leaving the pipe with alternatives and ways to cover or disguise the area. Cost of this is estimated at \$2,000.00.

Richard McKee made a motion to approve all pending change orders. Jim Huffman seconded the motion.

Motion carried.

Estimated changes/revisions – main parking lot, used concrete from demo material to reduce costs - \$40,000.00.

Use concrete demo material to complete main parking lot – savings \$25,000.00.

Construction Manager Performance bond savings – covers CG Schmidt and subcontractors building the facility and for one year after if contractor would go out of business or bought out by another company. Larry Sebranek made a motion to omit the bond for a savings of \$15,000.00. Jim Huffman seconded the motion. Motion carried.

Bond savings to go back to the owner's contingency.

Demolition and abatement of existing building – additional \$136,000.00

Bathroom door pulls – savings of \$2,608.00

To date - \$4,357.00 left in owner's contingency fund after estimated items.

Construction contingency: estimated changes-

Temp roads – additional \$20,000.00

A-wing construction contingency projection – additional \$50,000.00

Additional labor management related to CG Schmidt – overage \$81,493.00

Other overages, additional field labor, materials and equipment - \$116,000.00

Floor prep – additional \$4,500.00

Roofing - \$5,525 disputed

RFI 138 Metal – additional \$500.00

Intumescent Paint – fire proofing paint on exterior lintels additional \$20,000.00

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

Anticipated Remaining Contingency - \$55,213.00

Transplanting of shrubs: There are several arbor vitae shrubs surrounding the air handlers on the south side of

the bed wing that could be moved and reused. Discussed how to accomplish this and where they could be placed. Left to the facility to accomplish if possible at no cost.

Consideration of invoices, pay applications and contracts:

Joan Bailey presented the following invoices for payment:

CGC: Progress invoice - \$393.70

Town & Country TV: All TV's – excludes installation of \$3,885.00 - \$41,625.00

EUA: Progress invoice - \$9,071.38 (remaining balance = \$93,285.25)

Sears: All ranges and refrigerators (neighborhood kitchens) - \$15,850.00, balance due \$23,620.00 for washers and dryers

Fein Bros: 5 refrigerators in Dietary, part of full bid package - \$14,876.48

Niesen & Sons: Requested down payment of 20% on bid of \$56,948.00, required in order to start working on project.

Creative Business: Requested 50% down on order of \$39,032.00 partial payment for FFE expense - \$19,516.00

Richard McKee moved to approve payment of all invoices. Ruth Williams seconded the motion. Motion carried.

Selection of next meeting dates: Next meeting has been scheduled for July 25, 2016 at 1:00p.m.

Adjourn: Ruth Williams made a motion to adjourn the meeting. Jim Huffman seconded the motion. Motion carried.

Meeting concluded at 4:20 p.m.

Respectfully submitted,

Kathy Cianci, Pine Valley Administrator