

MINUTES OF CONSTRUCTION SUBCOMMITTEE

There was a regular meeting of the Pine Valley construction subcommittee with CG Schmidt and EUA on Monday, November 24, 2014, starting at 1:00 p.m. in the Pine Valley Activity Room.

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

Tom Baade and Dan Davis/CG Schmidt, Greg Zastrow/EUA, Fred Clary, Tom Crofton, Jeanetta Kirkpatrick, Virginia Wiedenfeld, Donald Seep, Bob Bellman, Larry Sebranek, Kathy Cianci, Angie Alexander, Steve Alexander, and Irene Walmer were in attendance.

Tom Crofton moved to approve the agenda and verify the posting. Larry Sebranek seconded the motion. Motion carried.

Tom Crofton moved to approve the minutes of the October 20, 2014 meeting. Don Seep seconded the motion. Motion carried.

Agenda item #4 will be a standing agenda item. Review of prior meeting discussion included items listed under agenda item 8 (from amended agenda):

- Floor plans - staff input
- Site plan – parking and demolition of existing building
- HVAC – 2 options
- Structural system – ceiling height
- Roof materials

Discussion held on clarification of calculations for non cash expenses. No cash is being accumulated and no depreciated dollars are being used.

Brian Schoeneck – LeadingAge WI was unable to attend due to personal reasons and will be unavailable for approximately 2 weeks. Kathy Cianci relayed items from conversation with Brian Schoeneck:

- Cautioned on 80 bed SNF. OK with 16 bed CBRF. Brian expressed mild concern over the 80 beds for the next 2 years, however, once surrendered, SNF beds may not be obtained. So although downsizing may produce less risk of open beds, surrendered beds will not be available.
- No new beds will be available for the next 10 years.
- Absolutely build both the SNF and the CBRF and to build it now as there is a spike in CBRF census.

- Incentive would require dropping census numbers almost in half to qualify.

A number of items on the chart from October 20th meeting about the operating budget and debt service were questioned and answered as the numbers have been rerun by WIPFLI and Brian Schoeneck with the process ongoing. Operating pro-forma will be looked at again by Brian Schoeneck then resubmitted to Carol Wirth. It was suggested to ask Brian Schoeneck to attend a meeting in the future, if able. Maximizing reimbursement rates for Pine Valley would be main concern for Brian Schoeneck to relate back to the committee. Larry Sebranek suggested to proceed as planned. (Build the planned number of 80 SNF and 16 CBRF).

Building commissioning was described as a 3rd party commissioner being hired for oversight of the writing of specifications and making sure the building project specs are all ok. This may be a consideration more towards the time of mechanical, lighting, and particularly for HVAC/energy systems. Commissioning fine tunes systems. Hiring commissioning could be costly. Approximate cost will be reviewed at the Trustee meeting. CG Schmidt and EUA's role is to make sure all specs are met but they are open to the decision of the committee. CG Schmidt and EUA will look into soliciting building commissioners for review at the next subcommittee meeting.

FOCUS on energy application should be submitted at the beginning of the schematic design development. There is no cost to apply. Approval to proceed will be agenda item for County Board meeting December 9, 2014. Incentive includes certain pieces of energy such as insulation, lighting, mechanical, etc. EUA will coordinate with FOCUS.

Schematic Design approval:

- a. Floor plans:
 - 6" interior walls
 - 305 square foot for each resident room

Resident room size should remain as planned as staff commented that equipment access in rooms was adequate at best. Resident comfort and safety is an issue for room size. Tom Crofton made a motion to accept floor plan as is in the schematic design footprint. Larry Sebranek seconded the motion. Motion carried.

- b. Site plan:

- Two retention ponds will be required by DNR to slow down surface storm waters and pollutants.
- CBRF location OK'd.
- Visitor parking will be developed after demolition of existing building.
- Cost estimates for demolition of existing building were not available.

Larry Sebranek made a motion to approve site plan. Tom Crofton seconded the motion. Motion carried.

c. HVAC system was discussed a much length.

- Comparisons of other facilities: Geo-Hybrid saved \$1.20 per square foot for the last year. 100% Hybrid facility saved \$1.24 per square foot. Projections for Pine Valley for 77,120 square foot would be approximately \$1.22.
- \$200,000 one time tax credit available for Geo-thermal system. Bonds are no longer tax exempt. Consult with Carol Wirth if eligible and able to pursue.
- Next step to make assumption of new budget. Bids for test wells for GEO thermal are \$11,385 from GEO Loop and \$9500 from Sam's Well Drilling. Tom Crofton made a motion to go ahead to test wells to see how many ground wells would be needed. Larry Sebranek seconded the motion. Motion carried.
- Talk to Matrix for different systems with options for heat pumps and to pursue Geothermal and compare to option #3. Tom Baade will present details at the December 8th meeting.
- Solar panel/gardens: Donation has been made to do a study on this alternative heating system. Engineer is doing a study to show the impact of savings this would create. Alliant Energy may be interested also.
- Future insight of heating systems was discussed such as purchasing inventory as we go as the systems would have regular maintenance requirements.

d. Exterior wall system:

- New construction exterior walls – CMU wall block/brick.
- Fiberglass versus vinyl, wood or aluminum windows discussed. Window options include 4 windows or 1 window with transom and applied mutton or one big window with all muttons appliquéd. For visual prairie style and homelike appearance, windows and exterior play a big role. Windows do not open due to HVAC system. It was suggested to continue with mulled unit windows with the option to change style if the budget allows.

- Metal stud walls.
- Spray foam insulation.
- Wood trusses.
- True masonry bearing walls.
- Visual looks good. Outside should be appealing as well as the interior to be more inviting to families.
- Current building reused exterior and roof will be incorporated into new building. EUA is still working on areas of concern.

Tom Baade is currently compiling a value engineer list to offset the budget looking at areas that could save money with alternatives. Jeanetta Kirkpatrick made a motion to approve wall elevation and schematic form. Virginia Wiedenfeld seconded the motion. Motion carried.

e. Structural system:

- All interior walls are metal studs.
- Wood trusses
- 9' ceiling heights

Don Seep made a motion to approve exterior walls. Tom Crofton seconded the motion. Motion carried.

f. Building mass/elevations/materials.

- This is the whole exterior envelope.
- Roof pitch is 3:12 with a flat portion over the dietary area to accommodate ventilation of equipment. 3:12 roof pitch may affect warranty.
- Shingle options discussed included steel standing seam or asphalt. Asphalt appears to be the direction to go at this time. Tom Baade will calculate with VE to see if there would be any savings on the flat roof portion.

Tom Baade presented a power point reviewing total project budget, construction budget, construction alternatives and operating budget and debt service.

- Increase in total project budget is \$1,359,669 as of the completion of the Schematic Design estimate. This includes all in numbers of the subcommittee selections and EUA's schematic development design.
- Increase in construction budget includes unexpected increases in HVAC system, demolition work and earth transfers, new elevator and shaft, windows in the remodel portion, metal roof on remodel, site work and miscellaneous mark-ups such as insurance and fees with a total increase of approximately \$1,512,000.

- Cost control log would keep track of paybacks which would be beneficial in the reduction of the potential budget.
- Growth in square footage with added 6,000 square feet for additional space needed in remodel.

Current reservoir tank holds 20,000 to 40,000 gallons of water with 13,000 to 16,000 gallons used daily. This is up to code with local fire department. Current well and reservoir are sufficient.

Updated contract with EUA has been submitted to Victor Vlasak for payment and was routed to Corporate Counsel for review. Fred Clary will be contacted if contract is not resolved before the next County Board meeting. Updated market analysis completed by WIPFLI has been paid through the Trustees in the amount of \$18,000.

Design and subcommittee schedule:

- Detailed decisions will be made at the December 8th and 9th Design meetings. Fire chief and DHS to attend.
- HVAC decision to be made at the December 10th subcommittee meeting.
- Tom Crofton will contact Carol Wirth for more information on tax credit issues for discussion at December 10th subcommittee meeting.
- January 14th meeting agenda to include operating budget with Carol Wirth in attendance. Discussion of heat pumps.
- GMP to be completed end of March to present at the April County Board meeting.

Next subcommittee meeting is scheduled for December 10, 2014 at 1:00p.m.

Tom Crofton made a motion to adjourn the meeting. Bob Bellman seconded the motion. Motion carried.

Meeting concluded at 4:45 p.m.

Respectfully submitted,

Kathy Cianci, Pine Valley Administrator