

MINUTES OF CONSTRUCTION SUBCOMMITTEE

There was a regular meeting of the Pine Valley construction subcommittee with CG Schmidt on Monday, February 8, 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, Eric Schmidt/CG Schmidt, Fred Clary, Jeanetta Kirkpatrick, Donald Seep, Tom Crofton, Virginia Wiedenfeld, Ruth Williams, Larry Sebranek, Kathy Cianci, Steve Alexander, Joan Bailey, Angie Alexander and Irene Walmer were in attendance. Bob Bellman arrived at 2:00. Jason Marshall Richland County IT was also in attendance.

Ruth Williams moved to approve the agenda and verify the posting. Tom Crofton seconded the motion. Motion carried.

Tom Crofton moved to approve the minutes of the January 11, 2016 meeting. Jeanetta Kirkpatrick seconded the motion. Motion carried.

There were no comments on the prior meeting.

Total project budget: Paul Korz reviewed the updated owner's contingency log. Initial owner's contingency budget is \$964,012.

1-12 - Item's on the attached log were all previously approved and committed.

13 - Net construction budget difference with poor soils allowance and winter conditions allowance not included in initial GMP - \$296,243.00.

14 - Construction testing overage with CGG was budgeted at \$15,000 and now at \$21,000.

15 - Poor soils allowance overage budgeted for \$277,000.00. B-wing incurred more cost than anticipated putting the project over by \$50,000.00.

16 - No FM Global Certification for Fire stopping was approved at the OAC meeting on January 13, 2016 which resulted in a deduct of \$24,000.00. Paper work has been processed.

17 - Plumbing poor soils allowance not used resulting in a savings of \$18,000.00.

18 - RFI 29 – Additional lintels required a change order that was approved for a cost increase of \$3,837.00.

19 - RFI 19 – Gas regulators approved change order with increased cost of \$2,402.00.

20 - Double Duplex outlet approved change order with increased cost of \$7,180.00.

21 - Food service saving buyout resulted in a savings of \$40,000.00. Bid from Fein Brothers was accepted at \$257,000 with some finalizing to be done.

22 - Demolition of West Home savings as of January 13, 2016 is \$10,350.00 and is carried over.

23 - WIPFli fees original budget at \$55,000.00 with \$33,000.00 spent as of January 13, 2016 resulting in a savings of \$20,257.00.

- 24 - Geothermal well test savings as of January 13, 2016 of \$6,700.00.
- 25 - Geo-system engineering – savings line item cost was included in A/E fees could be a savings of \$24,900.00.
- 26 - Construction bulletin #2 for loading dock modifications with a savings of \$25,860.00.
- 27 - Construction bulletin #3 presented early January 2016 concerning MEP conflict in corridor link. NAMI and H&H Electric have come up with a better solution. Original budget was at \$33,000.00 resulting in cost of \$13,000.00 currently.
- 28 - RFI 43 – Insulation and vapor barrier. Additional dry wall needed next to trusses for barrier with an added cost of \$16,500.00.
- 29 - Deduct hot dipped galvanized lintels. Approved and accepted with a savings of \$2,000.00.
- 32 - TV's, wall mounting brackets and installation. Jason Marshall presented 3 bids. Town and Country TV bid is \$45,510.00, SHI bids is for \$77,965.05. CDWG sent a bid in for \$89,582.79. Larry Sebranek made a motion to accept the bid from Town and Country. Ruth Williams seconded the motion. Reviewed the placement of the TV's. Motion carried. A meeting with Matrix and Jason Marshall will be needed to go over the phone situation and where we are at with costs.
- 33 - Winter conditions allowance overage – projected. \$198,000.00 was budgeted for winter conditions originally. This area is incurring many overages. 50% of the B-wing has been poured. Paul Korz is projecting about two more weeks of work on B-wing with an overage of approximately \$55,000.00. Discussed working under winter conditions. Paul Korz commented it is costly to shut down.
- 37 - Ceramic tile floor resident bathrooms – projected. Original plan was based on plastic versus tiled walls. The alternate was selected at the meeting on April 27, 2015. The bid for ceramic tile on wall and flooring was spec'd as resilient flooring instead of tile. The lone bidder has declined the work. Paul Korz will clarify the specs as ceramic tile and submit for new bids and determine where ceramic tile goes on the walls. Additional cost is projected to be estimated at \$30,000.00.
- 39 - Electrical fixture revisions made by Matrix during submittal review has been approved at an additional cost of \$1,632.00.
- 40 - Truck door drive extension was discussed at OAC meeting extending the pavement out to allow more turning radius for delivery trucks adding \$2,990.00 to this area.
- 41 - RFI 77 – Bollards for fuel tank. DNR requires barricades around tanks according to the size. Discussed using steel pipe filled with concrete for the barricade. Additional cost would be \$3,100.00.
- 42 - Overage on painting budget – projected. Paul Korz has had no response from the low bidder of \$114,000.00. Paul Korz received one new bid of \$180,000.00 and is waiting for possibly two more. Discussed the requirement, such as being bonded or qualifying to meet requirements could be reason of few bids. Discussed looking at options of paint types, ceramic or epoxy. Specs call for two colors, ceiling one color and walls another

color. One color could be a cost savings. Projected additional cost of painting is estimated at \$65,000.00.

43 - Wardrobes for resident rooms – FF&E were not identified in the FF&E plans. Discussed providing movable wardrobes as an option. Chest of drawers is in the plan. \$572,812.00 was budgeted for the resident room furniture. Each wardrobe could possibly be \$900.00 each.

Potential Change order review: Construction Bulletin #3:

- Remote MEP's through connector link.
- Door operation and hardware revisions. Vogel is issuing a deduct of \$1,002.00 for hardware.
- Additional MEP design and equipment for 2nd floor A-wing.
- Miscellaneous MEP changes and additions.
- Fuel tank bollards.

Jeanetta Kirkpatrick would like to discuss the cost of the redesign for CB#3 with EAU at the next OAC meeting.

Donald Seep made a motion to grant the OAC the authority to approve paying for change orders and proceed under CB#3 up to and not to exceed \$2,020.00. Ruth Williams seconded the motion. Motion carried.

RFI 43 – vapor barrier change order for dry walling on both sides of the truss and wall. This change order will be addressed at the OAC meeting on Wednesday, February 10, 2016. Donald Seep made a motion to grant the OAC authority to approve the installation of drywall on both sides of the trusses by Hallmark Drywall up to and not to exceed \$13,365.00. Virginia Wiedenfeld seconded the motion. Motion carried.

Construction Contingency Log Update: Initial construction contingency - \$467,836.00.

- Quick ship on door frames of \$3,700.00.
- Concrete paving at loading dock in place in construction log at \$4,100.00.
- Change order CB#1 for gypsum and steel studs for \$900.00 is 90 days old.
- Delay claim from Ahern plumbers is pending.

Total construction contingency committed is \$50,032.00 leaving \$417,804.00 remaining.

Consideration of invoices and contracts/agreements: Joan Bailey presented invoices to be considered for payment. Tom Crofton made a motion to approve payment of the January Pay Application #4 for CG Schmidt - \$1,105,455.00 and Richard Street Supply for tax exempt items - \$491,851.00 for a total of \$1,597,306.00. Jeanetta Kirkpatrick seconded the motion. Motion carried.

Tom Crofton made a motion to approve payment of \$5,257.13 to CGC for ongoing concrete testing. Jeanetta Kirkpatrick seconded the motion. Discussed that there will be two more pours and any concrete needed for the parking lot. Motion carried.

Jeanetta Kirkpatrick made a motion to defer payment to EUA until detailed invoices are received. Tom Crofton seconded the motion. Jeanetta Kirkpatrick stated that interest charges are still being incurred. Motion carried.

Construction update: D-wing dry-wall has started, roof is complete and windows are near completion. C-wing MEP rough-in is underway, roof is complete and windows are near completion. B-wing concrete slab is 50% complete, masonry walls 50% complete and the under-slab plumbing is about 60% completed.

GMP Document: Paul Korz requested approval and execution of the GMP document dated February 8, 2016. Total GMP - \$17,245,337; CG Schmidt - \$12,930,281 and Richard Street Supply - \$4,315,837. Discussed that the scope of changes by owner resulted with the beginning number of the GMP changing to the current GMP to date. Roughly 95% of the Owner's Contingency has been used. Tom Crofton moved to approve the final GMP of \$17,245,337. Larry Sebranek seconded the motion. Motion carried.

Budget Update: Total project budget as of February 8, 2016 paid to date is \$5,443,375.00. For a complete list of items paid to date please refer to the attached document titled Total Project Budget, third column from the right - Paid to Date.

According to Carol Wirth it is estimated that interest rates could be around 3.7% and could be locked in at 2.75% if the bid goes out now resulting in approximately \$1M less interest making future payments less. The savings of \$465,327.71 could be added to the owner's contingency. The committee will present the next borrowing to take place at the March County Board meeting for approval. The bond rating meeting is scheduled for February 18, 2016.

Consideration of EUA services for FF&E selection, bidding: EUA has offered to help with the FF&E as a free service, a \$30,000.00 value, minus the Dietary equipment. EUA reimbursable is described as standard fees with mileage not included. Some fees are still in question. EUA offered to redo the drawings for the loading dock parking area. Discussed the change for metal siding versus EFIS. This was a change made by the owner and is still up for discussion. Jeanetta Kirkpatrick stated that itemized invoices are to be paid.

FF&E, Food service equipment: Fein Brothers has submitted a rebid. Numerous other equipment and small-wares will be presented at the Trustee meeting on Monday, February 15, 2016. Kathy Cianci has requested help to write the bid for equipment as this would require staffing time to complete the furniture and fixtures list needed. A color palate from EUA will be available on Wednesday. Fein Brothers are working with CG Schmidt for roughing in the equipment needed in dietary and can be addressed at the next meeting.

Use of West Home window: The committee discussed ways to utilize the window that was salvaged from the West Home building. It was suggested to be used internally such as in a display wall. Tom Crofton and Eric Schmidt to address this.

Landscaping was discussed using grass seed or sod. Watering the sod could be an issue. Grass seeding was suggested.

Next subcommittee meeting is scheduled for March 14, 2016 at 1:00 p.m. Tour of building may follow for those interested.

*Bob Bellman made a motion to move to closed session. Tom Crofton seconded the motion. Roll call vote: 8 yes votes.

Bob Bellman made a motion to return to open session from closed session. Virginia Wiedenfeld seconded the motion. Motion carried.

Tom Crofton made a motion to adjourn the meeting. Virginia Wiedenfeld seconded the motion. Motion carried.

Meeting concluded at 4:00 p.m.

Respectfully submitted,

Kathy Cianci, Pine Valley Administrator