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Telephone: 415-464-2090 Fax: 415-464-2094

CITIZENS' BOND OVERSIGHT COMMITTEE

Monday, March 29, 2021, 3:00 PM

Chair:	Leslie Lava	Virtual Meeting via WebEx:
Vice Chair:	Jonathan Frieman	https://marinhealth.webex.com
Members:	Steven Dely, George Feiss Charles Reite, Jeffrey Tsai	Meeting number: 187 791 0348
Staff:	David Klein, MD, CEO Eric Brettner, CFO Elizabeth Lasnier, Controller Louis Weiner, Executive Assistant	Password: Marin2021 <u>Or via WebEx Telephone Conference</u>
Guests:	Ron Peluso, MGH 2.0 Project Manager	Number: 1-408-418-9388

AGENDA

- | | |
|---|---------------|
| I. Call to Order | Leslie Lava |
| A. Roll Call | |
| B. Agenda Review and Approval (Action) | |
| C. Minutes Review and Approval: December 3, 2020 (Action) (Tab #1) | |
| D. General Public Comment – <i>(Any member of the public audience may make statements regarding any items NOT on the agenda. Statements are limited to a maximum of three (3) minutes. Please state your name if you wish to be recorded in the minutes.)</i> | |
| II. MGH 2.0 Project Status | Ron Peluso |
| A. February 2021 (Tab #2) | |
| III. Status of General Obligation Bonds, Funding & Project Costs | Eric Brettner |
| A. Q4 2020 (Tab #3) | |
| IV. Next Meeting | Leslie Lava |
| V. Adjournment | Leslie Lava |

Tab 1



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CITIZENS BOND OVERSIGHT COMMITTEE

**Virtual Meeting via WebEx
December 3, 2020 @ 4:00 PM**

Minutes

I. Call to Order –Chair Lava called the meeting to order at 4:04 pm.

A. Roll Call

- *Committee Members Present:* Leslie Lava, Jonathan Frieman, Steven Dely, George Feiss, Charles Reite
- *Committee Members Absent:* Jeffrey Tsai
- *Staff Members Present:* David Klein, MD (CEO), Eric Brettner (CFO), Liz Lasnier (Controller), Louis Weiner (EA)
- *Guests Present:* Ron Peluso

B. Approve Agenda: It was moved, seconded and carried to approve the agenda as presented.

C. Approve Previous Minutes of August 19, 2020: It was moved, seconded and carried to approve the minutes as presented.

D. General Public Comment: There was no public comment.

II. MGH 2.0 Project Status

Mr. Peluso presented the project status report (Tab #2). The new hospital building received its first patient on September 29 and patient transfers that day went very smoothly and ahead of schedule. The Certificate of Occupancy was received on September 3 with exceptions. Some work is yet to be completed, expected to be done by February. West Wing Addition construction is on hold while funding is being reevaluated. Ongoing site work is complete. 96% of the construction budget has been spent. \$6.3M remains in contingency.

III. Status of General Obligation Bonds, Funding & Project Costs

A. Q3 2020

Mr. Brettner presented Q3 status (Tab #3). There have been no new requisitions. \$384M has been paid out from the GO Bonds. \$16M remains, pending final releases. \$448M has been incurred for the entire project with \$384M from GO Bonds and the remainder from the hospital's Revenue Bonds and philanthropy.

B. Requisition Detail

Details (Tab #4) show that there have been no new requisitions.



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Regarding the Schuff Steel issue, Mr. Brettner noted that the Marin Healthcare District Board is being fully apprised of the situation and is discussing it in closed sessions.

Dr. Klein added that feedback about the new building has been very positive and enthusiastic from patients, physicians and staff. Some patients who have not previously come to MHMC are here because of the new state of the art facility.

IV. Agenda Items for Next Meeting

The next meeting is February 17, 2021 for the project update. The Schuff Steel issue will likely not be settled by then.

V. Adjournment

Chair Lava adjourned the meeting at 4:27 pm.

DRAFT

Tab 2

Financial Update – Contingency & Project Budget

Contingency			
Owner		Construction	
Contingency at Start of Construction (A) = \$	20,300,000	Contingency at Start of Construction =	12,454,268
Total Owner Changes (Pending + Final) (B) = \$	18,054,000	% of Contingency Items (Pending+Final) =	100.0%
Total Contingency Remaining (A - B) = \$	2,246,000	Total Contingency Remaining =	-
Owner Changes			
<u>Owner Change Order # - Description</u>	<u>Cost (\$)</u>	<u>Status: Pending (P)</u>	
Approved Owner Changes (1-19)	13,849,000	<u>Final (F)</u>	
Pending (20-22)	4,205,000	F	
		P	
Total =	18,054,000		
Project Budget			
		Approved Budget	Forecast
	MGH 2.0 Project Budget Total	439,736,000	439,736,000
Project Schedule			
		Approved Schedule	Actual
	MGH 2.0 Project Hospital Ready for Licensing	March 2020	Sept 2020
	MGH 2.0 Project Hospital First Patient	June 2020	Sept 2020

Tab 3



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CITIZENS' BOND OVERSIGHT COMMITTEE

**Status of General Obligation Bonds,
Funding & Project Costs**

December 31, 2020

MGH 2.0

- ✓ Total project cost is estimated at \$534,864,000.
- ✓ As of December 31, 2020, \$448.0M in expenses have been incurred for MGH 2.0 as follows:

• Hospital Replacement	\$397.6M
• Hillside Parking Structure	\$25.5M
• West Wing Make Ready	\$19.4M
• West Wing Renovation	\$4.8M
• Site Work	\$0.7M
• Total	\$448.0M

Project Funds Expended

Spec Section	Specification Name	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	
Hillside Parking Structure														
1.00000	Property Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	
2.00000	Design	1,181,000	-	245,778	47,074	656,553	432,935	297,956	378,456	(378,456)	-	-	1,680,296	
3.00000	Permits & Fees	817,000	-	-	-	20,802	438,599	145,657	96,140	(113,030)	-	-	588,168	
4.00000	Construction	23,709,000	-	-	-	-	12,223,999	10,251,147	4,933	489,250	-	-	22,969,329	
5.00000	Owner Purchased FF&E	30,000	-	-	-	-	-	163,853	407,500	(407,500)	-	-	163,853	
6.00000	Major Medical Equipment	-	-	-	-	-	-	-	(35,920)	35,920	-	-	-	
7.00000	Data / Communications	225,000	-	-	-	-	12,217	59,699	440,803	(440,803)	-	-	71,916	
A	Total Hillside Parking Structure Costs	25,962,000	-	245,778	47,074	677,355	13,107,750	10,918,312	1,291,912	(814,619)	-	-	25,473,562	
B Stitework Project														
1.00000	Property Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	
2.00000	Design	1,314,000	79,624	-	183,393	-	-	-	-	-	-	-	263,017	
3.00000	Permits & Fees	702,000	-	-	-	-	-	-	-	-	-	-	-	
4.00000	Construction	9,245,000	-	-	-	-	-	-	-	-	49,452	434,487	483,939	
5.00000	Owner Purchased FF&E	-	-	-	-	-	-	-	-	-	-	-	-	
6.00000	Major Medical Equipment	-	-	-	-	-	-	-	-	-	-	-	-	
7.00000	Data / Communications	100,000	-	-	-	-	-	-	-	-	-	-	-	
B	Total Stitework Project Costs	11,361,000	79,624	-	183,393	-	-	-	-	-	49,452	434,487	746,956	
C Hospital Replacement Building Project														
1.00000	Property Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	
2.00000	Design	27,797,000	5,307,908	1,562,490	878,666	682,814	4,705,174	12,550,989	6,159,089	562,753	290,562	742,133	(34,563)	33,408,016
3.00000	Permits & Fees	16,072,000	-	-	-	-	-	2,863,363	1,391,745	3,771,190	2,621,084	3,185,836	521,331	14,354,549
4.00000	Construction	348,281,000	-	-	-	-	-	99,878	19,509,752	71,316,065	87,571,384	138,358,460	22,850,755	339,706,293
5.00000	Owner Purchased FF&E	8,612,000	-	-	-	-	-	-	8,177	-	18,224	-	-	26,401
6.00000	Major Medical Equipment	31,745,000	-	-	-	-	-	614,415	1,195,686	5,510,265	2,296,298	468,625	10,085,289	
7.00000	Data / Communications	7,446,000	-	-	-	-	6,132	-	98,075	327,624	(420,699)	-	11,132	
C	Total Hospital Replacement Building Project Costs	439,953,000	5,307,908	1,562,490	878,666	682,814	4,705,174	15,520,362	27,683,178	76,943,769	96,339,143	144,162,028	23,806,148	397,591,681
D West Wing Make Ready Project														
1.00000	Property Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	
2.00000	Design	1,385,000	178,616	18	24,093	438,524	1,930,128	470,949	150,000	(18,131)	-	-	3,174,196	
3.00000	Permits & Fees	538,000	-	-	-	-	100,718	356,214	500,000	(500,000)	-	-	456,931	
4.00000	Construction	16,577,000	-	-	-	-	3,375,173	6,920,092	3,718,823	1,791,232	(54,151)	24,000	15,775,169	
5.00000	Owner Purchased FF&E	100,000	-	-	-	-	-	-	-	-	-	-	-	
6.00000	Major Medical Equipment	-	-	-	-	-	-	-	-	-	-	-	-	
7.00000	Data / Communications	-	-	-	-	-	337	432	-	-	-	-	769	
D	Total West Wing Make Ready Project Costs	18,600,000	178,616	18	24,093	438,524	5,406,355	7,747,686	4,368,823	1,273,101	(54,151)	24,000	19,407,064	
E West Wing Renovation														
	Design	3,968,000	296,623	-	-	-	301,472	3,700	-	189,645	132,380	-	923,820	
	Permit	2,116,000	-	-	-	-	-	-	-	5,500	397,137	250	402,887	
	Owner Purchased FF&E	-	-	-	-	-	-	-	-	-	-	-	-	
	Construction	32,904,000	-	-	-	-	-	-	-	1,738,508	1,656,982	2,130	3,457,620	
E	Total West Wing Renovation Costs	38,988,000	296,623	-	-	-	301,472	3,700	-	1,993,653	2,186,499	2,380	4,784,327	
F	Total Project Costs	534,864,000	5,307,908	2,117,353	1,124,462	937,373	5,821,053	34,335,939	46,352,875	82,604,504	98,791,278	146,343,828	24,267,015	448,003,590

Projected Costs

Spec Section	Specification Name				Total Budget Remaining	Total
		2020	2021	2022		
1.00000	Hillside Parking Structure					
2.00000	Property Acquisition	-	-	-	-	-
3.00000	Design	-	-	-	-	1,680,296
4.00000	Permits & Fees	-	-	-	-	588,168
5.00000	Construction	-	-	-	-	22,969,329
6.00000	Owner Purchased FF&E	-	-	-	-	163,853
7.00000	Major Medical Equipment	-	-	-	-	-
	Data / Communications	-	-	-	-	71,916
A	Total Hillside Parking Structure Costs	-	-	-	-	25,473,562
B	Sitework Project					
1.00000	Property Acquisition	-	-	-	-	-
2.00000	Design	323,124	-	-	323,124	586,141
3.00000	Permits & Fees	234,000	-	-	234,000	234,000
4.00000	Construction	3,201,535	-	-	3,201,535	3,685,474
5.00000	Owner Purchased FF&E	-	-	-	-	-
6.00000	Major Medical Equipment	-	-	-	-	-
7.00000	Data / Communications	33,333	-	-	33,333	33,333
B	Total Sitework Project Costs	3,791,992	-	-	3,791,992	4,538,948
C	Hospital Replacement Building Project					
1.00000	Property Acquisition	-	-	-	-	-
2.00000	Design	402,200	-	-	402,200	33,810,216
3.00000	Permits & Fees	800,000	-	-	800,000	15,154,549
4.00000	Construction	17,943,296	-	-	17,943,296	357,649,589
5.00000	Owner Purchased FF&E	1,800,000	-	-	1,800,000	1,826,401
6.00000	Major Medical Equipment	8,700,000	-	-	8,700,000	18,785,289
7.00000	Data / Communications	1,500,000	-	-	1,500,000	1,511,132
C	Total Hospital Replacement Building Project Costs	31,145,496	-	-	31,145,496	428,737,177
D	West Wing Make Ready Project					
1.00000	Property Acquisition	-	-	-	-	-
2.00000	Design	-	-	-	-	3,174,196
3.00000	Permits & Fees	-	-	-	-	456,931
4.00000	Construction	-	-	-	-	15,775,169
5.00000	Owner Purchased FF&E	-	-	-	-	-
6.00000	Major Medical Equipment	-	-	-	-	-
7.00000	Data / Communications	-	-	-	-	769
D	Total West Wing Make Ready Project Costs	-	-	-	-	19,407,064
E	West Wing Renovation					
	Design	586,966	600,000	600,000	1,186,966	2,110,786
	Permit	710,000	600,000	600,000	1,310,000	1,712,887
	Owner Purchased FF&E	300,000	2,220,000	1,220,000		
	Construction	26,373,260	20,532,696	10,930,389	57,836,345	61,293,965
E	Total West Wing Renovation Costs	27,970,226	23,952,696	13,350,389	51,922,922	56,707,249
F	Total Project Costs	62,907,714	23,952,696	13,350,389	86,860,410	534,864,000