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

CITIZENS' BOND OVERSIGHT COMMITTEE

Thursday, September 30, 2021 @ 3:00 PM

Chair:	Leslie Lava	Via Zoom:
Vice Chair:	Jonathan Frieman	https://mymarinhealth.zoom.us/join
Members:	Steven Dely, George Feiss Charles Reite, Jeffrey Tsai	Meeting ID: 932 8556 9635 Passcode: 975395
Staff:	David Klein, MD, CEO Eric Brettner, CFO Elizabeth Lasnier, Controller Louis Weiner, Executive Assistant	Or via Zoom telephone: 1-669-900-9128
Consultant:	Ron Peluso, MGH 2.0 Project Manager	

AGENDA

- | | |
|---|----------|
| I. Call to Order | Lava |
| A. Roll Call | |
| B. Agenda Review and Approval (Action) | |
| C. Minutes Review and Approval: June 14, 2021 (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 (Tab #2) | Peluso |
| III. Status of General Obligation Bonds, Funding & Project Costs (Tab #3) | Brettner |
| A. McCarthy Update | |
| IV. Other business | Lava |
| V. Adjournment | Lava |

Tab 1



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CITIZENS BOND OVERSIGHT COMMITTEE
Inverness Conference Room, MarinHealth Medical Center
and via Zoom

Monday, June 14, 2021 @ 2:00 pm

Minutes

I. Call to Order: Chair Lava called the meeting to order at 2:01 pm.

A. Roll Call

- *Committee Members Present in Person and via Zoom:* Leslie Lava (via Zoom), Jonathan Frieman, Steven Dely, George Feiss (via Zoom), Chuck Reite (via Zoom)
- *Committee Members Absent:* Jeffrey Tsai
- *Staff Members Present:* David Klein, MD (CEO), Eric Brettner, (CFO), Louis Weiner (EA)
- *Consultant Present:* Ron Peluso

B. Approve Agenda: Mr. Dely moved to approve the agenda as presented. Mr. Feiss seconded. Vote: all ayes

C. Approve Previous Minutes of March 29, 2021: Mr. Feiss moved to approve the minutes as presented. Mr. Reite seconded. Vote: all ayes.

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

II. CFO Annual Report 2020

Mr. Brettner presented the CFO's "Annual Report of Sources & Uses of Marin Healthcare District General Obligation (GO) Bonds" (Tab #2). The entire \$394,000,000 in GO Bonds was issued in the three prior Reporting Periods. For the reporting period ending 10/31/2020, expenditures were \$39,295,531. The project's total expenditures are \$384,324,131 for hospital construction.

III. CBOC Annual Report 2020

Chair Lava presented the "Annual Report of Citizens Bond Oversight Committee, Marin Healthcare District, June 2021" (Tab #3). This report is for the period from November 1, 2019 through October 31, 2020 and states that the District's expenditure of Bond proceeds has been in accordance with the purposes stated in Measure F. She asked for a motion to approve. Mr. Frieman moved to approve the Report as presented. Mr. Reite seconded. Vote: all ayes.

IV. MGH 2.0 Project Status

Mr. Peluso presented the Project Status Update (Tab #4). The construction final from OSHPD was received on May 7, 2021, and the project is complete. Through March 30, 2021, 98.1% of the approved construction budget has been spent. Project contingency remaining is \$6,646,000, to be used for final change order issues with McCarthy.

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

Mr. Brettner noted in the report (Tab #5) that as of March 31, 2021, the GO Bond fund balance was \$16,033,526 which will be used for McCarthy retention costs. The total project is estimated to be



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completed on budget at \$534,864,000. West Wing renovation, and some equipment work, will be funded by Revenue Bonds and hospital operations.

VI. Update: McCarthy Issues

Dr. Klein reported that legal issues are being discussed with counsel and the District Board in closed sessions.

VII. Next Meeting

The next meeting will be scheduled during the next quarter TBA.

VIII. Adjournment

Chair Lava adjourned the meeting at 2:29 pm. Dr. Klein then gave Mr. Frieman and Mr. Dely a tour of the Oak Pavilion.

DRAFT

Tab 2

Schedule				
Risk	Description			
	Certificate of Occpancy with Exceptions received 9/3/2020			
	MHMC Oak Pavilion - First Patient Day was 9/29/2020			
	Construction Final Received from OSHPD on 5/7/2021			

Construction Schedule - January 2020 Update (Revised Recovery Plan - In Progress)

Risk	Activity	Target	Actual	Comments

Weather / Rain Bank

Risk	Activity	Approved	Used to Date	Comments
	Weather Days	57	57	

Upcoming Activites - Construction

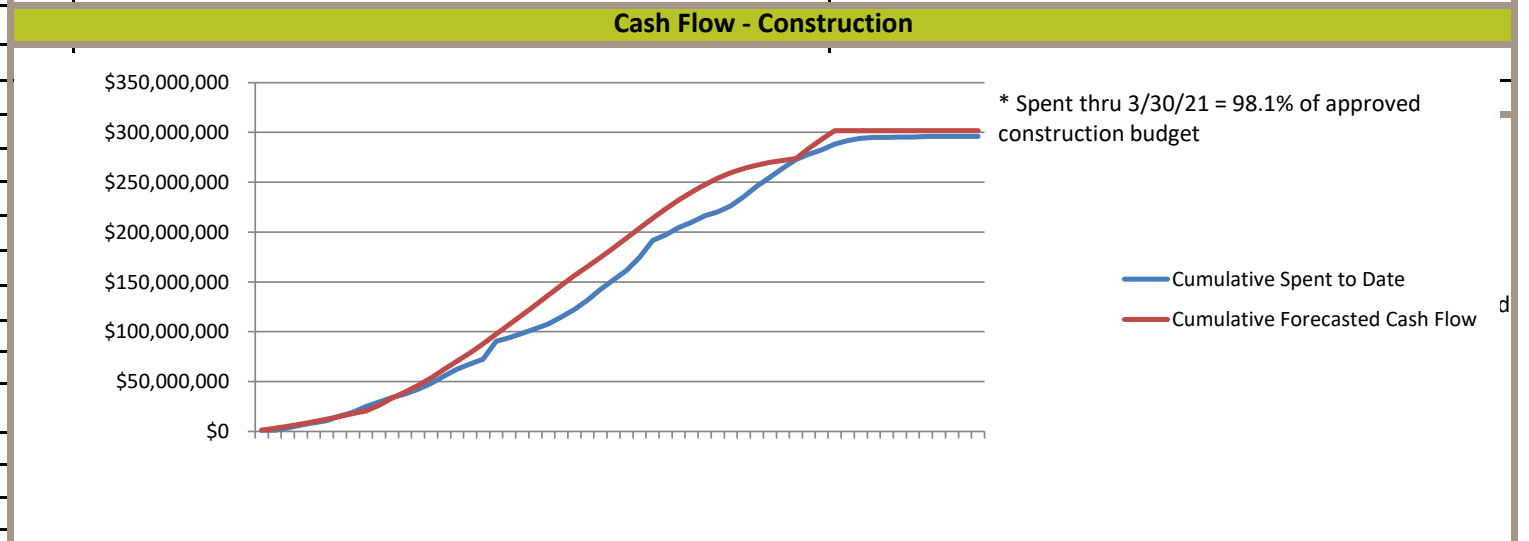
Risk	Activity	Target	Actual	Comments
	West Wing Addition - Construction Start	Aug-2020		

Schedule Impact

Risk	Activity	Comments
	Increment 3 - Shoring Schedule Delay	1.5 month delay
	Increment 4 - Steel	1 month delay
	Increment 5 - Interior	2 week delay
	Steel Issue	Schuff Steel Impact

Risk Category	
	Green On Track
	Yellow Medium Impact : Potential Risk / Unresolved
	Red Critical or High Impact

Project Risk - Issues		
Risk	Item	Status
	Covid -19	Cost Impacts have not been submitted by MBC
	OSHPD Major Changes	Cost Impacts have not been submitted by MBC



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) = \$	13,654,000	% of Contingency Items (Pending+Final) =	100.0%
Total Contingency Remaining (A - B) = \$	6,646,000	Total Contingency Remaining =	-

Owner Changes			
	Order # - Description	Cost (\$)	Status: Pending (P) Final (F)
	Approved Owner Changes (1-19)	18,054,000	F
	Pending (23)	(4,400,000)	P
	Total =	13,654,000	

Project Budget			
Risk		Approved Budget	Forecast
	MGH 2.0 Project Budget Total	439,736,000	439,736,000

Project Schedule			
Risk		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

August 31, 2021

Bond Requisition

- As of August 31, 2021, the project fund balance maintained at Bank of New York Mellon was \$13,487,958.16.
- Since our last report date of June 30, 2021, 1 requisition has been paid for a total of 100 requisitions since 2015.

Req	Date Paid	Hospital Replacement	West Wing Make Ready	Sitework	West Wing Renovation	Hillside Parking Structure	Total
96	01/31/20	\$9,464,503	\$12,000	-	-	-	\$9,476,503
97	02/26/20	\$10,138,829	-	\$434,487	\$250	-	\$10,573,566
98	02/27/20	\$5,732,553	\$12,000	-	-	-	\$5,744,553
99	02/28/20	\$834,221	-	-	-	-	\$834,221
100	08/31/21	\$2,546,362	-	-	-	-	\$2,546,362
Total		\$338,453,443	\$20,537,094	\$521,168	\$2,538,580	\$24,820,208	\$386,870,493

MGH 2.0

- ✓ Total project cost is estimated at \$534,864,000.
- ✓ As of March 31, 2021, \$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 Property Acquisition	-	-	-	-	-
2.00000	Design	-	-	-	-	1,680,296
3.00000	Permits & Fees	-	-	-	-	588,168
4.00000	Construction	-	-	-	-	22,969,329
5.00000	Owner Purchased FF&E	-	-	-	-	163,853
6.00000	Major Medical Equipment	-	-	-	-	-
7.00000	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