

# MONTHLY STATUS REPORT No.16



The Trousdale – Assisted Living  
and Memory Care Center  
Burlingame, CA

Dec 2017

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## Company Info

Since being founded in 1947, Peninsula Health Care District (PHCD) has retained an unwavering commitment to the health and well-being of those who live and work within its boundaries.

Accountable to residents, taxpayers, and community partners, the District now encompasses the cities of San Bruno, Millbrae, Burlingame, Hillsborough, San Mateo, and Foster City. As these communities have changed and evolved, the District has expanded and enhanced its range of services and programs to ensure the health of its communities. Part of the District's mission is to provide both immediate and long-term community needs, providing support to non-profit providers offering effective and innovative solutions. Through this mission the District Board elected to approve funding to build The Trousdale.

## Project Team

**Owner:**  
**Peninsula Health Care District**  
 Cheryl Fama

**Development Consultant:**  
**Pacific Union Development Company**  
 Joel Roos

**Construction Manager:**  
**Nova Partners, Inc.**  
 David Marks

**Architect:**  
**Smithgroup JJR**  
 Gabriel Fonseca  
 Richard Kirr  
 Jackie Lee

**General Contactor:**  
**SJ Amoroso**  
 Mike Chambers  
 Jennifer Erskine  
 Mark Green

**Operator:**  
**Eskaton**  
 Sheri Pfeifer  
 Erin Scherer

## 1. Executive Summary

# The Trousdale Assisted Living and Memory Care Center

The Peninsula Health Care District is proud to support initiatives and programs that promote health, wellness and access to needed services for seniors in our communities. The Trousdale Assisted Living and Memory Care Center is the first ground up project being built by the Peninsula Health Care District since 1954. The project will house 124 apartments comprised of studio, one, and two bedroom floor plan options with kitchenettes. This six-story, 140,000 SF facility includes both assisted living and memory care units.

The new Assisting Living and Memory Care Community will include:

- Accommodating design with nationally acclaimed Livable Design Features built to 2013 Green Building Code Standards
- Full service restaurant and fresh-express bistro
- Fitness Center
- Salon
- Library & Learning Center
- Activity Center
- 44 parking spaces, including 31 below grade.
- Independently controlled heating and cooling per unit.

The overall project budget is \$77.6M including SJ Amoroso's construction cost of \$52.4M. The project is scheduled for a spring of 2018 Completion and will be opening in Mid 2018.

## 2. Project Update

### Permitting

All permits have been obtained for the construction of the project.

Upcoming Permits:

- Elevators - November 2017
- Site Work - December 2017
- Certificate of Occupancy – ~~January 2018~~ May 2018

### Design

#### **Building Utilities**

##### Power/Gas

All PG&E Gas and Power installations have been complete.

**Domestic Water/Sewer/Storm**

Domestic water and Storm drain tie-ins are currently complete.

**Traffic Signal Relocation**

Traffic Signal relocation work at the corner of Trousdale and Magnolia has been delayed from a November completion date to an early February completion date. This work is currently underway with demolition of the existing corner at Trousdale and Magnolia, with cabling scheduled to be pulled the weekend of January 27<sup>th</sup>.

**Furniture, Fixtures, & Equipment (FF&E)****December 2017 Update:**

Furnishings were currently scheduled to be installed in the January 2018 time frame shortly after the completion of construction, but this has changed due to the delay in construction and will now be installed in the April/May time frame. Pivot Interiors has released all interior furnishings and currently Scheduled for a March install date. The team has commenced with the procurement of all building artwork and fitness equipment and other ancillary equipment and accessories throughout the building. When completed, the overall FF&E costs will be slightly under the budgeted +/- 1 Million dollars.

All purchase orders for the Nurse quiet care systems and the Wanderguard system for the memory care units have been issued and ready for installation.

# Construction

### **Work Completed or in progress in the month of December 2017**

#### **Scheduled activities for the month of November:**

- Exterior EIFS and Wood Paneling continues near completion
- Interior/Exterior glazing complete with the exception of the café exterior windows
- Exterior Courtyard site work commences, planted concrete wall placement in progress
- Comcast installed service infrastructure to building
- Interior Drywall complete on floors 5&6
- Interior painting begins on floors 2&3 and nears completion
- All rooftop equipment installed and final connections underway
- Kitchen build out started and is approximately 75% complete
- All drywall installed on floor 1
- Electrical room final installations complete in all floors
- Complete final Roof system tie-ins
- Unit Kitchen and Bathroom casework started

#### **Scheduled activities for the month of January:**

- Exterior EIFS systems complete
- Exterior Wood panels continues with an early February completion date
- Exterior balcony railings and building sunshades installed
- Courtyard planters complete with site work in courtyard to begin
- All exterior scaffolding removed with exception of west elevation
- Offsite work begins with a mid February completion date
- Floor1 Kitchen nears completion
- Floor 2,3 and 4 casework installed along with unit interiors.
- Start up of rooftop HVAC units
- Floor 5 and 6 interior finishes begin
- Continue Kitchen final equipment connections

## Project Budget

Bids were accepted for the construction of the Trousdale Project on 2/23/16 and SJ Amoroso was the low Bidder in the amount of \$52,434,000 for which a contract was issued.

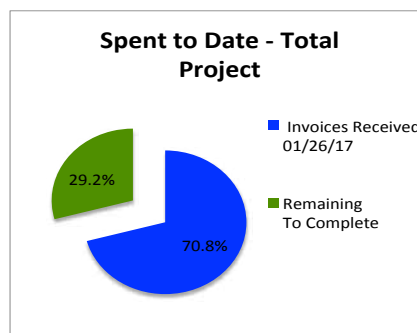
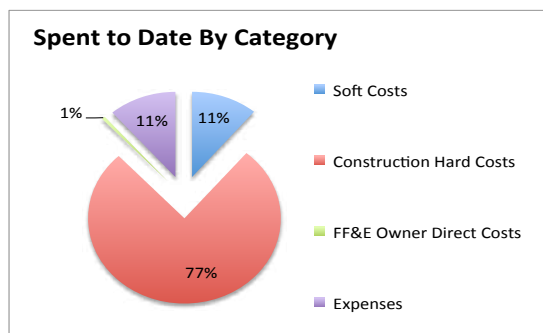
In late February 2016 the board approved the overall project budget of \$77.6M. This includes all project soft and hard costs, which are summarized below. Budget concerns are listed below under budget risks. None are anticipated at this time.

Total project spending through December 31, 2017 is \$54,599,599 dollars, +/-71% of the total project budget.



**PHCD Trousdale Assisted Living and Memory Care Center**  
 1600 Trousdale Drive, Burlingame  
 Project Dashboard  
 1/16/17

Budget Line Description	Approved Budget 2/23/16	Change Orders And Budget Reallocations	Current Forecast	Invoices Received 01/26/17	Remaining To Complete	Percent Complete
Soft Costs	6,721,174	27,875	6,749,049	6,070,010	679,038	89.9%
Construction Hard Costs	57,300,462	(63,533)	57,236,929	42,005,448	15,231,481	73.4%
FF&E Owner Direct Costs	1,514,960	(66,231)	1,448,729	330,540	1,118,189	22.8%
<b>Project Subtotal (Before Expenses)</b>	<b>65,536,595</b>	<b>(101,889)</b>	<b>65,434,706</b>	<b>48,405,998</b>	<b>17,028,708</b>	<b>74.0%</b>
Expenses	9,895,381	1,000,000	10,895,381	6,193,600	4,701,781	56.8%
PHCD Contingency	2,150,900	(1,350,000)	800,900	-	800,900	0.0%
<b>Total Project Costs</b>	<b>77,582,876</b>	<b>(451,889)</b>	<b>77,130,987</b>	<b>54,599,599</b>	<b>22,531,389</b>	<b>70.8%</b>



## SJ Amoroso Contract

SJ Amoroso's contract was fully executed on 3/17/16 in the amount of \$52,434,000. During the month of December the team approved a total of one (5) change order in the amount of \$191,000. Amoroso's contract value is currently at \$52,935,796. In the month of December, Four (4) new change orders were added to the log with an estimated cost in the 31K range, which will all be funded from the SJA Construction contingency allowance within their contract. SJA continues to fall way behind with the issuance of change orders. We are currently forecasting approximately 900K in outstanding change orders with many of these changes over 6 months old since inception. The team continues to reach out to SJA upper management to inform them of our concerns but little improvement has occurred over the last several months. The team has informed SJA that performing changes without formal approval is at their risk.

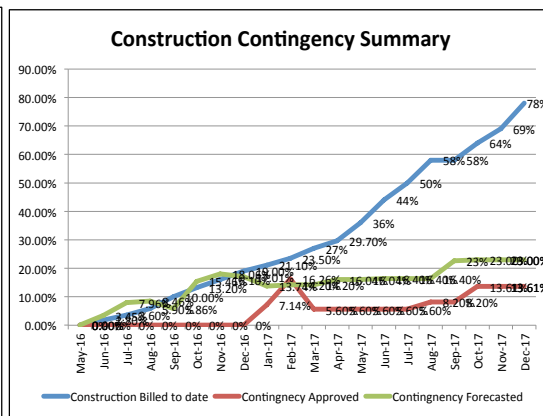
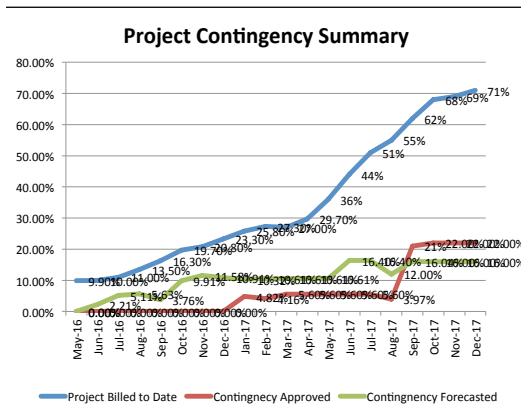
# Contingency Summary Recap

Below please find a recap of the total project contingency and the contingency trend vs. spent to date.



PHCD Trousdale Assisted Living and Memory Care Center  
 1600 Trousdale Drive, Burlingame  
 Project Contingency Recap  
 1/16/17

Budget Line Description	Approved Budget 2/23/16	Approved Change Orders	Submitted	Forecasted	Remaining	Percent Complete
Soft Cost Contingency	-	-	-	-	-	0.00%
Construction Contingency	4,244,479	501,796	117,325	962,182	2,663,176	13.61%
FF&E Contingency	225,000	225,000	-	-	-	100.00%
<b>Total Project Contingency:</b>	<b>4,469,479</b>	<b>726,796</b>	<b>117,325</b>	<b>962,182</b>	<b>2,663,176</b>	<b>7.89%</b>
Owner Contingency	2,150,900	(1,000,000)	-	100,000	1,050,900	51.14%
<b>Overall Total Project Contingency:</b>	<b>6,620,379</b>	<b>(273,204)</b>	<b>117,325</b>	<b>1,062,182</b>	<b>3,714,076</b>	<b>21.94%</b>



During this period, five (5) change orders have been submitted with a value of \$191,000, which has all been approved. These change orders will be taken from the SJA contingency currently within their contract and will not change their current contract value. There is currently \$901,000 of forecasted anticipated change orders that will be submitted over the upcoming months. There have been very few unexpected changes issued over the last month, with four (4) change orders being created during this period with an estimated value of 31K, with much of these costs being funded from the contractor's contingency. There currently remains approximately 3.7 million dollars in project contingency un-spent. However, we do anticipate over the upcoming months to use contingency funds to help fund these changes, reducing the overall remaining contingency amount.

At this point in time, the team is anticipating an overall project savings as previously reported. The team is anticipating spending overtime funds to help ensure the project is completed as quickly as possible, as much work is still left to be completed. We have currently funded approximately 75K in overtime costs to date with an additional 100K forecasted to expedite the interior finishes of the building in addition to expediting the exterior skin sub contractors with the goal of getting the building skin 100% complete as quickly as possible. As those costs are expended, we will continue to report back to team with status. We do anticipate an overall project savings in the 2 million dollar range however, this may change if additional funds are required to continue to expedite the project schedule. SJA General Conditions will be depleted in the December 2017 time frame. As the project will be extended another 5 months we expect they will seek additional funds to cover these costs. These delays are clearly a result of SJA delays and these costs will be disputed once submitted.

### **Future large change orders expected in the Month of January:**

1. Traffic Light Conduit relocation at the corner of Magnolia and Trousdale – Upon Demolition of the asphalt roadway for the new corner extension, SJA discovered two existing unforeseen conduits that will need to be lowered. We have worked out the details with the City, and the work will be begin immediately. Anticipated costs in the 25K range are anticipated.
2. Overtime – The team continues to authorize overtime with an attempt to complete the project as quickly as possible. The team anticipates expenditures in the 100K range for key subcontractor overtime.

## Budget Risks

### **SJ Amoroso Schedule Delays**

SJA is significantly behind schedule. Contractual final project completion date was December 23, 2017 and now is anticipated in the April 2018 time frame. The majority of these delays are a direct result of SJA's inability to schedule the project effectively along with subcontractor performance and failure to meet their contractual completion dates. This has been acknowledged by SJA, but do anticipate they will approach the District for additional General Condition costs as a result of these delays. We currently believe this is a low risk item for the district, but there is exposure there as with any claim. SJA continues to miss all scheduled dates and continues to miss key milestone dates. The Nova team continues to meet with SJA upper management along with Key subcontractor trades to help progress the work as much as possible. There have been very minimal design changes or errors and the majority of these delays continue to be SJA's inability to coordinate and schedule the work. SJA has been unable to produce an updated master schedule since August 2017 after numerous requests. Once the project nears completion, the District may choose to pursue liquidated damages to offset any of these claims along lost revenue. As a result of these delays, the project budget will incur several hundred thousand dollars in additional management fees by both Nova and Eskaton. These additional fee are currently being forecasted in the overall project budget.

## 4. Schedule

### Schedule



The project broke ground on May 2<sup>nd</sup> 2016 and is now tracking to be completed in the April/May 2018 time frame, 6 months behind schedule.

The last monthly schedule update that has been submitted by SJA in August 2017 still indicates they are currently a 60-calendar day delay, which completes the project in the January 2018 time frame. The schedule was initially extended by 30 calendar days related to the un-anticipated hazardous soil off-haul at the on-set of the project. The additional 30 days are related to SJA delays, which have been un-approved and un-substantiated at this time.

However, we believe SJA to be much further behind than their schedule shows based on their progress in the field. The exterior skin is anticipated to be completed in the early February time frame based on current progress. Numerous meetings have been held with all of the building envelope contractors to expedite their installations and resolve issues in real time. All subs are working 10-hour days and weekend overtime at the expense of SJA.

Interior and exterior framing is in full force and the SJA subcontractors are working overtime on a regular basis. All interior drywall is complete with the exception of floor 6, which is currently scheduled to be complete the second week of February. Interior construction continues to be accelerated to help mitigate current delays. Painting is underway on floors 2, 3 and 4 moving up the building. The Kitchen area is in progress with all equipment installed and currently being hooked up.

Based on current progress we anticipate the project to be complete at the end of April 2018. However, that will need to be evaluated on a day-by-day basis. The Nova team is meeting with the SJA subcontractors on a weekly basis to help resolve SJA issues with their subs and get more visibility on the scheduling of the work. We remain extremely concerned with SJA's in-ability to manage subcontractors effectively and efficiently and that is becoming more apparent when we meet with them and their subcontractors. The Nova team will continue to update the District on status and is coordinating all time frames with the Eskaton team for proper planning and timing of building opening.

Below are milestone dates we are tracking:

Activity No.	Description	Baseline Date	June 2017 Update	Actual Date	Variance/ Trend (cal days)
EX-0045	Exterior mock-up	11/8/16	5/9/17	<b>6/17/17</b>	-152
L2B-1025	Floor 2 Slab East	11/14/16	2/1/17	<b>2/4/17</b>	-52
L1A-4000	Start of Exterior Framing	11/18/16	5/11/17	<b>5/11/17</b>	-144
L3A-1025	Floor 3 Slab West	12/8/16	2/10/17	<b>2/23/17</b>	-34
L3B-1025	Floor 3 Slab East	12/16/16	3/8/17	<b>3/11/17</b>	-52
L4A-1025	Floor 4 Slab West	1/6/17	3/16/17	<b>3/25/17</b>	-39
L4B-1025	Floor 4 slab East	1/18/17	4/6/17	<b>4/5/17</b>	-48
L1B-4045	Start of Window Installation	1/18/17	6/12/17	7/21/17	-115
L5A-1025	Floor 5 Slab West	2/3/17	4/14/17	4/27/17	-40
L0-3025	Start of First Drywall	2/10/17	4/27/17	6/21/17	-46
L5B-1025	Floor 5 Slab East	2/16/17	5/4/17	5/4/17	-47
L6A-1025	Floor 6 Slab West	3/3/17	5/12/17	5/27/17	-40
L6B-1025	Floor 6 Slab East	3/17/17	6/2/17	6/2/17	-47
L1A-6090	Start Casework	4/29/17	7/20/17	12/14/17	-134
L0-3090	Infrastructure for Permanent Power	5/1/17	6/20/17	8/2/17	-20

EL3-2045	Structure Complete	5/16/17	7/20/17	7/6/17	-35
L6A-6060	Roof Weather tight	5/25/17	7/31/17	8/28/17	-37
ELE-0000	Exterior Envelope Complete	6/11/17	9/19/17		-70
CO-0030	Fire Marshal Acceptance	8/31/17	11/15/17		-46
M-0001	Substantial Completion	9/30/17	11/28/17		-29
M-0002	Final Completion	10/30/17	12/29/17	4/30/18*	-120
	Calendar Days Behind		120		
	* Current forecast completion date				

## 5. Project Photos



**Courtyard Exterior EFIS and Wood Panels complete. Scaffold coming down.**



**East Elevation 50% complete with remaining Wood Paneling going in.**



**Main Entry glazing installed waiting on final finishes**



**Interior unit painted, Flooring installed waiting for kitchen casework and carpet**



**Floor 2 Electrical rooms near completion**

**\*\*\*End Of Report\*\*\***

**Distribution:**

Cheryl Fama, CEO, Peninsula Health Care District