



The Village
at Germantown

An Affiliate of Methodist Healthcare

Construction Project Status Report

May 2017

Submitted by:



Methodist
LeBonheur Healthcare



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May 31, 2017

THE VILLAGE AT GERMANTOWN

Executive Summary

Flintco completed construction of the project in January 2017.

Currently there is one change order outstanding which is being contested by the Village. Change Order Request ("COR") 151, in the amount of \$100,846, is Contractor claiming 8 weeks additional general conditions due to delays created by owner. In addition, the Owner is claiming \$55,000 of liquidated damages plus reimbursement of approximately \$13,000 for fines incurred from CMS due to failed life safety inspections incurred during the renovation of the Healthcare Center. The Owner has proposed a settlement whereby Flintco would withdraw COR 151. Owner would accept change in contractual completion date thereby eliminating liquidated damages and both Owner and Flintco would split the CMS fine.

Construction Progress

Wing B (SN West): Completed.

Rehab Addition (SN West): Completed.



Summary Construction Schedule

The table below summarizes the construction schedule for each component of the Project.

Scheduled Construction Components	Start Date	Completion Date	Status
Assisted Living/Memory Care Building	1-Oct-14	31-Oct-15	Completed
Kitchen/Laundry Addition	1-Dec-14	8-Apr-15	Completed
Skilled Nursing Renovation West Sec.	11-Nov-15	27-June-16	Completed
Rehab Addition	11-Nov-15	27-June-16	Completed
Skilled Nursing Renovation East Sec.	30-June-16	16-Jan-17	Completed

Note: The dates shown in the status column are based on the original completion date of June 25, 2015, but approval has been given for 36 days of extension for the Contractor due to bad weather days over the avg. for these months. Therefore, the Status days in each category can be reduced by 36 days.

Construction Goals

The project has been completed and so there are no construction goals.



Construction Progress and Payment Certification

No pay applications have been submitted since pay application #27. As indicated on the last pay application filed, No. 27, the dollar amount completed to date is \$12,379,725.02 representing approximately 99.97% of the contract value. The balance of the contract will not be utilized and therefore comeback to the Owner. As of May 31, 2017 the Construction Project manager certifies to the best of his knowledge and belief, and based on information as the date of this report, the balance of funds held in Series 2014 project Account of the Construction Fund are sufficient to pay costs of completing the expansion project.

A handwritten signature in black ink, appearing to read "Dave Rosenbaum".

Dave Rosenbaum

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Germantown Hospital

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Expansion Project Budget and Variance Report

Project Cost Variance Report

Below is a summary project cost variance report followed by a more detailed project cost variance schedule. To date there have been approximately 149 change orders submitted for a total of \$559,467. The table below provides the detail of each change order, the amount and current status. The total amount of Owner related change orders is approximately \$261,065. The total amount of Contractor related change orders is approximately \$298,402. The Owner anticipates funding their change orders from their construction contingency, while the Contractor will fund their change orders from the contingency under the GMP. Including the Owner's contingency of approximately \$595,000, plus other line item cost anticipated to be under budget, the owner estimates there to be \$15,000 that is still uncommitted.

Change Order Request Log

Item	Change Order Request	Owner Contingency		Contractor Contingency		Total	Notes
		Accepted	Pending	Accepted	Pending		
PR 1	Hdw, Plbg, Fire Alarm (State Systems)	\$22,658				\$22,658	State of TN - Changes to documents.
PR 2	Grass Pavers	\$24,474				\$24,474	Changed from concrete/asphalt for aesthetics
PR 2	Heavy Duty Asphalt Paving					\$0	
PR 3	R1 Steel Duct Revisions			\$1,590		\$1,590	
PR 4	Added Fire Pump	\$79,367				\$79,367	Architect did not include on plans - Required by City of Germantown
PR 5	Add Beam MC Corr. (SFCS)			\$2,277		\$2,277	
PR 6	R1 Add Angle/Columns (SFCS)			\$7,213		\$7,213	
AS15	Add Reinforcing (SFCS)			\$3,918		\$3,918	
COR 001	Add Parking	\$17,349				\$17,349	Created 20 new parking spots to offset those lost during construction
COR 002	Upgrade Generator for IL	\$35,831				\$35,831	Increased size of generator for Phase III Apt. Bldg,
COR 007	Undercut Parking & Storm Dr.	\$15,997				\$15,997	Poor soil conditions required replacing
COR 008	Oil/Water Separator			\$3,951		\$3,951	
COR 010	Add Column (SFCS)			\$2,393		\$2,393	
COR 012	Add Storm Drain/Rfg. Leaders			\$11,534		\$11,534	
COR 014	Rework Access Road			\$13,744		\$13,744	
COR 015	Design Change Rm H (Village)	\$301				\$301	Resident to reimburse Owner
COR 016	& 017 Extended Sch. Weather Cond.				\$32,206	\$32,206	Pending - Not approved by owner
COR 018	Irrigation Repairs & Extension			\$16,719		\$16,719	
COR 019	Add Cabling for Card Readers Elev. (VIII)	\$7,438				\$7,438	Added as part of secure unit
COR 020	Reception Desk Rev. (Village)	\$7,689				\$7,689	Changed design of reception desk to be more functional
COR 021	Added Quarry @ Kitchen	\$2,574				\$2,574	Plans did not have quarry tile for office converted to walk-through
COR 022	Shell Spa 117	(\$17,753)				(\$17,753)	Owner request to remove spa tub and shelled in room
COR 023	Owner to Purchase Appliances	(\$32,384)				(\$32,384)	Owner will purchase appliances
COR 024	Added Rubber Base @ Laundry	\$860				\$860	Plans did not have any base moulding in laundry
COR 025	Extend Drywall above drop ceiling Kitchen/Offices	\$748				\$748	Plans had drywall stopping at drop ceiling
COR 026	Kit. HVAC Delete DSS Unit Office	(\$2,240)				(\$2,240)	Offices to be supplied by main kitchen/laundry mechanical
COR 027	MEP Additions in Kitchen/Laundry	\$533				\$533	Added duct work need due to COR 26
COR 029	Delete K152 Door Hardware	(\$2,847)				(\$2,847)	Deleted additional set of smoke doors - not required by code
COR 029	Room 302 Mr. Compton List of Changes	\$2,342				\$2,342	Resident to reimburse Owner
COR 032	S/N Barber Renovation & add Ped-Cure Chair	\$2,347				\$2,347	Adding Pedicure Chair
COR 032	Laundry A129 Change to 3 Speed Queen w/D	\$5,300				\$5,300	Changing upright W/D to stackable Speed Queen
COR 034	Doors K101 Incorrect size called for @ Plan			\$3,659		\$3,659	
COR 035	Weather				\$12,314	\$12,314	Pending - Not approved by owner
COR 036	Delete Memory Care Boxes	(\$3,600)				(\$3,600)	
COR 039	Credit for Mirrors Jenny Reviewing Purchasing for Owner	(\$4,800)				(\$4,800)	
COR 041	Change Carpet to LVT and Replace LVT with Carpet, Delete Bar at Millwork 304 - \$5,209	(\$937)				(\$937)	
COR 042	Add support for truss			\$1,661		\$1,661	
COR 043	Relocate Pool Exhaust & pressure Switch	\$2,807				\$2,807	
COR 044	Rental of Generator for Temp Power			\$6,573		\$6,573	
COR 046	Add vent for stack washer and Dryer not shown	\$1,153				\$1,153	
COR 048	Proposal Request 008 Additional Fire Smoke Damper	\$3,893				\$3,893	
COR 049	Proposal Request 009 - Additional Furdawn at Country Kitchen	\$2,857				\$2,857	
COR 052	Add Ceiling Fans (2) at Balcony 1,2,3'	\$2,104				\$2,104	
COR 054	Credit for Nurse Call at SN	(\$73,301)				(\$73,301)	
COR 057	Fire Hydrant Extension	\$877				\$877	
COR 058	31 Extra Sprinkler Heads	\$11,150				\$11,150	
COR 059	Elevator Room Equipment per State Inspector	\$22,177				\$22,177	
COR 060	R1 - Additional directed work tickets for NDI			\$21,382		\$21,382	
COR 061	Elevator construction use			\$1,116		\$1,116	
COR 062	R1 - Change and Delete CL Storage Units Revised per 1/5/15 meeting	(\$10,265)				(\$10,265)	
COR 063	Change Unit filters and temp protection			\$3,264		\$3,264	
COR 064	Relocation of Plumbing lines and OWS			\$1,540		\$1,540	
COR 065	Additional work tickets for Tri-State			\$8,567		\$8,567	
COR 066	Dennis Electric Additional power for Lights in Island	\$1,636				\$1,636	
COR 068	Power & Data for 6 owner furnished touch screens	\$1,809				\$1,809	
COR 069	Relocate ollard at South end Fire Truck Entrance	\$166				\$166	

Change Order Request Log

Item	Change Order Request	Owner Contingency		Contractor Contingency		Total	Notes
		Accepted	Pending	Accepted	Pending		
COR 070	3 ea Emergency Lights at transfer switch per state	\$615				\$615	
COR 071	power and Data for TV at Lobby	\$90				\$90	
COR 072	Increase breaker and wire size for Laundry Ironer	\$1,112				\$1,112	
COR 073	Added Receptical and Vent for owners Washer and Dryer at Laundry	\$1,621				\$1,621	
COR 074	add 3 exit lights per fire marshal inspection	\$408				\$408	
COR 075	Rework Power and Gypsum board at VTAC's on 2 and 3	\$2,269				\$2,269	
COR 076	-Room 305 and 306 informed of incorrect room changes by owner	\$4,581				\$4,581	
COR 078	Coca-Cola Required sleeves and power	\$1,310				\$1,310	
COR 079	Receipt Machine power and Data	\$372				\$372	
COR 081	-Added Cabinet at kitchen level 2 and 3	\$1,802				\$1,802	
COR 084	Additional Irrigation due to system tie-in			\$12,287		\$12,287	
COR 087	Painting Unlimited ot approved by owner			\$17,404		\$17,404	
COR 088	Morgan & Thornburg ot approved OAC			\$4,574		\$4,574	
COR 089	Flintco ot approved by owner OAC			\$52,322		\$52,322	
COR 091	LED Lighting for HCC	\$7,972				\$7,972	
COR 092	Wall Heaters to SNF Admin Area	\$896				\$896	
COR 095	New Duct Penetrations RTU 7				\$12,377	\$12,377	
COR 096	Change Door Hardware to brass / nickel mixture	\$1,968				\$1,968	
COR 097	Change to ADA vanity sinks (move bowl closer to resident)		\$1,719			\$1,719	
COR 098	Change flooring of LVT Dedined					\$0	
COR 099	Change Window Sizes (2 rooms)	\$1,056				\$1,056	
COR 100	Cost for 2 new 4 inch drains in dry riser closet (left off plans)	\$2,853				\$2,853	
COR 101	New electrical panels & wiring required (unclear plans - missing info on notes)				\$1,651	\$1,651	
COR 102	No on off switch for disposal no power for dishwasher		\$644			\$644	
COR 103	Lighting and lighting controls for room B164 left off plans		\$4,022			\$4,022	
COR 104	PVC Sleeve for CO2 (non Flintco Vendor)					\$0	
COR 105	Additional Drainage for memory care building (delayed/in house)					\$0	
COR 106	Missing lighting info (rfi 101)		\$4,245			\$4,245	
COR 107	Receptacle for convection oven, drop for POS		\$2,572			\$2,572	
COR 108	Correct fire barrier taping (state required) not to exceed		\$7,348			\$7,348	(\$605)
COR 109	Change to rehab roof tie in				\$6,701	\$6,701	
COR 110	Deletion of West vestibule in Wing B from the scope of work.	(\$6,947)				(\$6,947)	
COR 111	Cost for changes to access control and hardware throughout Wings B & A	\$2,113				\$2,113	
COR 112	Cost to change out electrical wiring in part of Wing B to healthcare grade wiring	\$31,400				\$31,400	
COR 113	NTE cost to clean up MC cable in attic laying on sprinklers per fire marshal	\$8,160				\$8,160	
COR 114	Wing A Re-phasing costs	\$29,329				\$29,329	
COR 115	Upgrade of mechanical room to create oxygen storage room	\$805				\$805	
COR 116	Upgrade of lamps for fixtures to double the wattage	\$216				\$216	
COR 117	Replace molded sheetrock at exterior wall for VTAC units that had been leaking	\$356				\$356	
COR 118	Remove and replace fiberglass tubs to review fireproofing per TN life safety inspector				\$12,050	\$12,050	
COR 119	Install bulkhead soffit at carebase due to mechanical equipment	\$534				\$534	
COR 120	New vestibule columns	\$4,617				\$4,617	
COR 121	Furnish new exterior emergency light per state life safety inspector comment	\$490				\$490	
COR 122	Owner request to replace lights in Wing A with LED lights that were to be re-used.	\$8,840				\$8,840	
COR 123	Cost to change access doors for blowdown drain valve to exterior wall in Wing B	\$1,264				\$1,264	
COR 124	Cost to make changes per ASI for A152 - electrical & HVAC changes	\$6,543				\$6,543	
COR 125	Additional emergency receptacle for Med Room equipment on Wing B side requested by Ken	\$566				\$566	
COR 126	Cost to add electrical for additional kitchen equipment.	\$3,936				\$3,936	
COR 127	Cost to relocate 2 existing annunciators; plans called for demo of units.	\$1,339				\$1,339	
COR 128	Credit for changes to Wing A linen closets - taller but with no granite tops.	(\$2,405)				(\$2,405)	
COR 129	Changes related to larger capacity ice machine added in kitchen	\$808				\$808	
COR 130	Cost to make existing above-ceiling code deficiency changes for walls in areas NIS	\$11,465				\$11,465	
COR 131	Cost to make structural changes for three areas where there is conflict or unforeseen condition (missing support).				\$2,265	\$2,265	
COR 132	Cost to make existing electrical code corrections for stacked washer/dryer Wing A	\$423				\$423	
COR 133	Cost to make owner requested med room modifications.	\$3,553				\$3,553	

Change Order Request Log

Item	Change Order Request	Owner Contingency		Contractor Contingency		Total	Notes
		Accepted	Pending	Accepted	Pending		
COR 134	Cost to add receptacle and data port in library missing from plans where work station is shown					\$0	
	Correct fire barrier taping/mudding code deficiencies below the attic per state fire marshal (cost reflects Wing A ONLY) - not to exceed cost	\$7,953				\$7,953	
COR 136	Additional Costs related to fire alarm strobe/			\$9,772		\$9,772	
COR 137	Additional circuits for hair dryers in Salon of Wing A	\$1,053				\$1,053	
COR 138	HVAC ductwork/beam conflicts at Wing A			\$9,478		\$9,478	
COR 139	Additional fake column at Wing A	\$222				\$222	
COR 140	Added drain for fire protection dry riser at Wing A	\$1,772				\$1,772	
COR 141	Added hallway light switches at Wing A			\$1,900		\$1,900	
COR 142	HVAC for room A152 at Wing A					\$0	
COR 143	Install temporary door hardware due to missing from plans	\$1,731				\$1,731	
COR 144	Relocate light switch	\$97				\$97	
COR 145	Upgrade electrical for dishwasher - plans called for less power	\$695				\$695	
COR 146	Upgrade electrical for convection oven - plans called for less power	\$493				\$493	
COR 147	Cost to correct existing firewall penetrations	\$4,291				\$4,291	
COR 148	Modification to kitchen exhaust vent	\$8,834				\$8,834	
	Sub-Total	\$291,781	\$20,550	\$218,838	\$79,564	\$610,733	
COR 032	Credit from COR 032	(\$5,300)				(\$5,300)	
COR 023	Owner to Purchase Appliances	(\$32,384)				(\$32,384)	
	MCAL Substantial Completion Date	(\$60,000)				(\$60,000)	
		\$194,097	\$20,550	\$218,838	\$79,564	\$513,049	
COR 104	PVC Sleeve for CO2 (non Flintco Vendor)	\$4,500				\$4,500	
	Low Voltage Relocation(non Flintco Vendor)	\$12,177				\$12,177	
COR 023	Owner to Purchase Appliances	\$32,384				\$32,384	Owner will purchase appliances
	Sub-Total	\$243,158	\$20,550	\$218,838	\$79,564	\$562,110	
	Reimbursable back to Owner						
	COR 015 Design Change Rm H	(\$301)				(\$301)	Resident to reimburse Owner
	COR 029 - Room 302 Mr. Compton List of Changes ⁽¹⁾	(\$2,342)				(\$2,342)	Resident to reimburse Owner
	Total	\$240,515	\$20,550	\$218,838	\$79,564	\$559,467	

The table below summarizes actual project costs to budget through the month of May 2017. A more detailed analysis of actual project costs to budget is on the next page.

The Village at Germantown Project Cost Variance As of 05/31/2017									
Description	<u>Current Month</u>			<u>Project Costs To Date</u>			Total Budget	Estimate to	Budget
	Budget	Actual	Variance	Budget	Actual	Variance	Amount	Complete	Remaining
Construction - GMP	\$0	\$414,547	(\$414,547)	\$12,144,087	\$12,445,684	(\$301,597)	\$12,144,087	(\$301,597)	(\$301,597)
Architect	\$0	\$5,232	(\$5,232)	\$898,188	\$878,311	\$19,877	\$898,188	\$19,877	\$19,877
Other Project Costs:	\$0	\$30,579	(\$30,579)	\$1,312,246	\$885,943	\$426,303	\$1,312,246	\$426,303	\$426,303
Contingency:	\$0	\$0	\$0	\$300,000	\$0	\$300,000	\$300,000	\$300,000	\$300,000
Furnishings & Equipment:	\$0	\$8,598	(\$8,598)	\$1,348,355	\$1,470,775	(\$122,420)	\$1,348,355	(\$122,420)	(\$122,420)
Development Costs	\$0	\$25,000	(\$25,000)	\$270,000	\$365,000	(\$95,000)	\$270,000	(\$95,000)	(\$95,000)
Total	\$0	\$483,956	(\$483,956)	\$16,272,876	\$16,045,714	\$227,162	\$16,272,876	\$227,162	\$227,162

Project Cost Variance As of 05/31/2017								
	Current Month			Project Costs To Date			Total Budget	Budget
Description	Budget	Actual	Variance	Budget	Actual	Variance	Amount	Remaining
Construction - GMP:								
ALU	0	414,547	(414,547)	12,144,087	12,445,684	(301,597)	12,144,087	(301,597)
Sub-Total	0	414,547	(414,547)	12,144,087	12,445,684	(301,597)	12,144,087	(301,597)
Architect								
Master Planning	0	0	0	39,500	39,500	0	39,500	0
Schematic Design Fee	0	0	0	150,100	150,100	0	150,100	0
Design Development Fees	0	0	0	375,250	375,250	(0)	375,250	(0)
Bid/Negotiation Fees	0	0	0	37,500	37,525	(25)	37,500	(25)
Construction Administration Fees	0	0	0	187,500	187,625	(125)	187,500	(125)
Additional Services	0	0	0	5,000	900	4,100	5,000	4,100
Reimbursable Expenses	0	5,232	(5,232)	103,338	87,411	15,927	103,338	15,927
Sub-Total	0	5,232	(5,232)	898,188	878,311	19,877	898,188	19,877
Other Project Costs:								
Accounting Allocation of Salaries	0	23,478	(23,478)	332,250	363,709	(31,459)	332,250	(31,459)
Accounting/Requisition Service	0	2,382	(2,382)	92,000	60,196	31,804	92,000	31,804
Actuarial Study	0	0	0	0	5,730	(5,730)	0	(5,730)
ALTA Survey	0	0	0	0	47	(47)	0	(47)
Bank Construction Review	0	0	0	28,088	0	28,088	28,088	28,088
Certificate of Need-Nursing Care	0	469	(469)	60,676	71,181	(10,505)	60,676	(10,505)
Borrowers Legal Fees	0	0	0	53,683	54,301	(618)	53,683	(618)
Connection Fees	0	0	0	25,000	44,950	(19,950)	25,000	(19,950)
Exterior Signage	0	0	0	45,500	20,433	25,067	45,500	25,067
Fees and Permits (Local)	0	500	(500)	35,714	39,024	(3,310)	35,714	(3,310)
Insurance, Builder's risk	0	0	0	24,846	12,443	12,403	24,846	12,403
Printing	0	0	0	11,824	627	11,197	11,824	11,197
Special Testing	0	0	0	30,250	35,626	(5,376)	30,250	(5,376)
Other Project Costs	0	3,750	(3,750)	81,000	68,439	12,561	81,000	12,561
Marketing and Promotional	0	0	0	86,481	55,895	30,586	86,481	30,586
Startup Expenses	0	0	0	0	9,863	(9,863)	0	(9,863)
Relocation Expense	0	0	0	97,500	30,780	66,720	97,500	66,720
Soft Cost Contingency	0	0	0	294,734	0	294,734	294,734	294,734
Sub-Total	0	30,579	(30,579)	1,312,246	885,943	426,303	1,312,246	426,303
Finance Costs:								
Actuarial Study	0	0	0	25,941	25,940	1	25,941	1
Underwriter Discount	0	0	0	354,345	354,345	0	354,345	0
Authority Fees	0	0	0	2,000	2,000	0	2,000	0
Auditor	0	0	0	22,810	22,810	0	22,810	0
Bond Counsel	0	0	0	142,000	142,000	0	142,000	0
Borrows Counsel	0	0	0	143,074	143,378	(304)	143,074	(304)
Issuers Counsel	0	0	0	30,140	30,140	0	30,140	0
Feasibility Consultant	0	0	0	100,066	100,066	0	100,066	0
Trusee Fees	0	0	0	10,000	10,000	0	10,000	0
Trustee Counsel	0	0	0	27,500	27,500	0	27,500	0
Underwriters Counsel	0	0	0	150,000	150,000	0	150,000	0
Printer	0	0	0	8,603	8,603	0	8,603	0
Other Expenses	0	0	0	51,924	51,924	0	51,924	0
Sub-Total	0	0	0	1,068,404	1,068,707	(303)	1,068,404	(303)
Contingency:								
Owners Contingency	0	0	0	300,000	0	300,000	300,000	300,000
Sub-Total	0	0	0	300,000	0	300,000	300,000	300,000
Furnishings & Equipment:								
Fee, Design Services	0	0	0	37,867	28,988	8,879	37,867	8,879
FF&E-Owner	0	8,118	(8,118)	340,879	608,025	(267,146)	340,879	(267,146)
FF&E-Interior Designer	0	480	(480)	416,538	340,369	76,169	416,538	76,169
Reimbursable Expenses Interior Designer	0	0	0	3,071	71	3,000	3,071	3,000
Kitchen & Laundry Equipment	0	0	0	550,000	490,322	59,678	550,000	59,678
Additional Design Fees	0	0	0	0	3,000	(3,000)	0	(3,000)
Sub-Total	0	8,598	(8,598)	1,348,355	1,470,775	(122,420)	1,348,355	(122,420)
Project Manager								
Methodist Health System	0	25,000	(25,000)	270,000	365,000	(95,000)	270,000	(95,000)
Sub-Total	0	25,000	(25,000)	270,000	365,000	(95,000)	270,000	(95,000)
Total	0	483,956	(483,956)	17,341,280	17,114,420	226,859	17,341,280	226,859
Total - Excluding Finance Costs	0	483,956	(483,956)	16,272,876	16,045,714	227,162	16,272,876	227,162
Reimbursement of Funds Previously Expended:								
Reimburse Borrower	0	0	0	1,162,156	0	1,162,156	1,162,156	1,162,156
Sub-Total	0	0	0	1,162,156	987,185	174,971	1,162,156	174,971
Total	0	483,956	(483,956)	18,503,436	18,101,605	401,831	18,503,436	401,831
Source of Funds:								
Bonds	0	483,956	(483,956)	17,281,030	16,424,024	857,005	17,281,030	857,005
Equity	0	0	0	1,162,156	1,617,331	(455,175)	1,162,156	(455,175)
Operations	0	0	0	60,250	60,250	0	60,250	0
Total Sources of Funds	0	483,956	(483,956)	18,503,436	18,101,605	401,831	18,503,436	401,831

Application and Certificate for Payment

No pay application submitted