



**Citizens' Bond Oversight  
Committee  
November 16, 2016**

# MARIN HEALTHCARE DISTRICT

100B Drakes Landing Road, Suite 250, Greenbrae, CA 94904

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

Website: [www.marinhealthcare.org](http://www.marinhealthcare.org)

Email: [info@marinhealthcare.org](mailto:info@marinhealthcare.org)

## CITIZENS' BOND OVERSIGHT COMMITTEE MEETING

NOVEMBER 16, 2016 AT 6:00 P.M.

**Chair:** Leslie Lava  
**Members:** Steven Dely  
Jonathan Frieman  
George Lula  
Paul Violich  
Jeffrey Tsai  
**Staff:** James McManus, Chief Financial Officer  
Jean Noonan, Controller  
Michael Lighthawk, Executive Assistant

**Location:**  
MGH Finance Conference Room  
100B Drakes Landing Road, Suite 190  
Greenbrae, CA 94904

### AGENDA

- |   |                |
|---|----------------|
| <b>I. Call to Order</b>   | Leslie Lava    |
| A. Roll Call  |                |
| B. Agenda Review and Approval   |                |
| C. Minutes Review and Approval: August 24, 2016 & May 25, 2016  |                |
| 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> |                |
| <b>II. Status of General Obligation Bonds, Funding &amp; Project Costs</b>  | Jean Noonan    |
| <b>III. CFO Annual Report (Review &amp; Commentary)</b>   | Jim McManus    |
| A. Discuss CBOC Annual Report to Community  | Leslie Lava    |
| <b>IV. 2017 Meeting Schedule (Tentative)</b>  | Mike Lighthawk |
| A. Discuss December Meeting   | Leslie Lava    |
| <b>V. Public Comment</b>  | Leslie Lava    |
| <b>VI. Agenda Items For Next Meeting</b>  | Leslie Lava    |
| <b>VII. Adjournment</b>   | Leslie Lava    |



**Minutes**  
**August 24, 2016**

# MARIN HEALTHCARE DISTRICT

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## CITIZENS' BOND OVERSIGHT COMMITTEE MEETING

WEDNESDAY, AUGUST 24, 2016, 6:00 P.M.

**Chair:** Leslie Lava

**Members:** Steven Dely

Jonathan Frieman

George Lula

Paul Violich

Jeffrey Tsai

**Location:**

MGH Finance Conference Room

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Greenbrae, CA 94904

**Staff:** James McManus, Chief Financial Officer

Jean Noonan, Controller

Colin Coffey, Legal Counsel

Michael Lighthawk, Executive Assistant

### MINUTES

#### I. Call to Order

Chair Leslie Lava called the meeting to order at 6:05pm.

#### II. Roll Call / Approval of Agenda

*Committee Members Present:* Chair Leslie Lava; Steven Dely, Paul Violich

*Committee Members Absent:* Jonathan Frieman, George Lula, Jeffrey Tsai (Teleconference not noticed)

*Staff Members Present:* James McManus, CFO; Jean Noonan, Controller; Michael Lighthawk, Executive Assistant.

*Staff Members Absent:* Colin Coffey, Legal Counsel

A quorum was not established. **No actions may be taken.**

#### III. Approval of Minutes of May 25, 2015 (Comments and changes are suggested. Approval of minutes tabled to next committee meeting) Pgs. 3-5 of the packet)

Member Dely commented on the last paragraph regarding committee's reporting responsibility to the public. Discussion ensued regarding a report coming from the committee in addition to the CFO's annual report as stated in the committee charter under Duties, #6. Mr. McManus described the content requirements of the CFO's annual report as well as reading counsel's comments recorded in the minutes of the first committee meeting on November 17, 2015 (Section IV, paragraph 4). Additionally, although not a requirement, Chair Lava is invited to publicly report on the committee's activities at the District Board meeting immediately following a committee meeting.

Mr. Dely suggested that the committee's report could be based on methodology of review to assure the public that funds are being spent properly. Mr. McManus stated he was fine with this approach.

Char Lava suggested the following corrections to the minutes for approval at the next meeting.

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## CITIZENS' BOND OVERSIGHT COMMITTEE MEETING

WEDNESDAY, AUGUST 24, 2016, 6:00 P.M.

- Section II, sub-section 1, paragraph 2: clarify exact wording from the voter's pamphlet; delete last sentence in paragraph 3.
- Section IV, paragraph 2, sentence 2, change to "(to be paid out to vendors/contractors)"; paragraph 3, sentence 3, change to ". . . as it is difficult to otherwise tell how the normal bond proceeds are being spent.
- Section V, #2, change to "Status of G.O. Bond Project Costs".
- Delete Safety Minute from future agendas.

### IV. Status of General Obligation Bonds, Funding & Project Costs (Pgs. 7-15)

Before Ms. Noonan began her report, Jim McManus asked to give a quick update on the status of the parking garage.

#### Parking Garage Update

Mr. McManus reported that on June 27<sup>th</sup>, the parking garage officially opened and is now being used by all MGH employees. The garage has 16 charging stations for electric vehicles and one Tesla station. We have received numerous positive comments from staff on the gift of the garage as it pertains to safety and employee satisfaction. Additionally, hospital construction has formally begun.

#### Bond Requisitions (Pg. 8 of packet)

Jean Noonan opened discussion on the seventeen Bond Fund Requisitions processed to date (July 31, 2016) totaling \$62.7M. There is \$107M remaining and we expect to pay that down through the remainder of 2016 and into October or November of 2017. The committee request for a Date Paid column has been included to show the time frame for each requisition.

#### Bond Requisition #17 (Pg. 9)

A sample of the latest requisition (#17) was included to show detail including the applicable Measure F reference indicating appropriate use of bond funds.

Additionally, at the request of the committee, Ms. Noonan brought forth a sample packet of requisitions that are sent BNY Mellon for payment. It is Vertran & Associates that assembles contractors' invoices and completes the Bond Requisition prior to approval by the CEO, CFO, or Controller. Mr. McManus commented that there is a secondary verification before funds are released by BNY Mellon following the requisition submission. Once the CEO or CFO submits the requisition, the Controller receives a call from BNY Mellon to verify the transfer.

Mr. Dely asked what checks are in place to verify McCarthy & Vertran's invoice and requisition submissions. Ms. Noonan stated that in addition to an ongoing internal audit process that pulls random samples of sub-contractors' invoices for work verification, we have engaged Moss Adams to perform an independent internal audit of all construction and work processes. Additionally, any changes to already submitted construction plans to OSHPD and the County of Marin must be submitted for approval to the same agencies. Any quality issues, changes to construction plans, or significant findings from the internal audits will be presented to the MGH Audit Committee initially

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## CITIZENS' BOND OVERSIGHT COMMITTEE MEETING

WEDNESDAY, AUGUST 24, 2016, 6:00 P.M.

with the intention of sharing the findings with this committee and subsequently making formal comments to the MGH Board.

Mr. McManus emphasized that Mr. Domanico has been intimately involved in all details of construction and design of the new hospital since 2011 and meets with Vertran Associates every two weeks to oversee every aspect of the MGH 2.0 construction project.

BNY Mellon – Ms. Lava commented that in her years of experience in overseeing Bond financing she has never seen a bank double call back to confirm transfer requests. The extra step of confirming transfer of funds is excellent. Ms. Noonan also pointed out that the finance check that occurs is to make sure that the bond funds are only used for the categories allowed for bond funding. Screening for appropriate earmarking for bond funds.

On behalf of the committee, Ms. Lava requested that management continue to provide the invoice details of all requisitions as presented tonight in Excel Spreadsheet format.

### Bond Requisitions (Pg. 10)

Ms. Noonan walked the committee through the top eight vendors who are paid out of the Bond Fund including their roles and service related specifically to bond spending categories.

Mr. McManus pointed out that hospital management decided to carry its own risk insurance through AON which provided a \$1.4M savings opportunity. Ms. Lava asked if the finance management team is maintaining a list of savings in construction costs. Mr. McManus stated that can be included in his report.

MGH 2.0 (Pg. 11) – Ms. Lava requested that management breakout other funding sources, such as funding from the Hospital or District, for the duration of the bond funding program; i.e., all funding sources other than bond funding.

Project Funds Expended (Pgs. 12-13) – Total project costs capitalized to date are \$72.9M including all funding sources. Vertran & Associates provides us with a monthly forecast of what we can expect to spend in the following month which aids in our requisition request projections.

Construction Costs (Pg. 14) – This table is meant to illustrate the Percentage of Completion (per Vertran & Associates); Percentage of Total Construction Costs and Budget to Actual Construction Costs across all four building categories. Ms. Noonan noted that the board of directors authorized the budget dollars to be moved between categories which occurred after the May 5<sup>th</sup> Committee meeting. This explains the discrepancy between the last Total Budget Construction Costs \$337M and the current budget costs of \$348M.

### Budget to Actual Variance (Pg. 15)

Detailed discussion ensued regarding the ability of the committee to clearly see and get a sense of what has been actually accomplished in each of the building categories month-to-month whether or not the costs are above or below budget. This approach would more clearly illustrate the actual

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## CITIZENS' BOND OVERSIGHT COMMITTEE MEETING

WEDNESDAY, AUGUST 24, 2016, 6:00 P.M.

percentage of completion across the categories relative to the budget. Ms. Noonan will adjust the Construction Costs' and Budget to Actual Variance to more clearly illustrate this detail.

### V. Bond Financing 101 (Final Review)

McManus

Mr. McManus presented a revised Bond Financing 101 slide set with changes recommended by the committee at the last meeting. Jim pointed out that slide number 5 had been redesigned to more clearly illustrate the distinctions between the Bond Issuance and Bond Repayment cash flows.

In order to move the meeting along more expediently, Ms. Lava gave the following comments and suggested corrections to the slide deck:

- 1) Slide 1 – Add: Updated September 2016.
- 2) Side 3 – Add: including the Hillside Parking Structure, West Wing Make Ready, West Wing Renovation, and Other Site Work to MGH 2.0 or "For additional details, please refer to Measure F.
- 3) Slide 4 – List full names of firms.
- 4) Slide 5 – Add female image to "Investors" on flow chart.

### VI. Agenda Items For Next Meeting

Chair Lava

- Minutes of May 25, 2016
- 2017 Meeting Dates
- Draft CFO Bond Report
- Internal Audit – Construction
- Requisition Detail Status
- Discuss Committee Report

### VII. Next Committee Meeting: November 16, 2016

### VIII. Adjournment – Chair Lava adjourned the meeting at 7:38pm.



**Minutes**  
**May 25, 2016**



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## CITIZENS' BOND OVERSIGHT COMMITTEE MEETING

MAY 25, 2016 AT 6:00 P.M.

**Chair:** Leslie Lava  
**Members:** Steven Dely  
Jonathan Frieman  
George Lula  
Paul Violich (*Teleconferenced*)  
**Staff:** James McManus, Chief Financial Officer  
Jean Noonan, Controller  
Michael Lighthawk, Executive Assistant

**Location:**  
MGH Finance Conference Room  
100B Drakes Landing Road, Suite 190  
Greenbrae, CA 94904

**Members Absent:** Jeffrey Tsai  
**Staff Absent:** Colin Coffey, Legal Counsel

### MINUTES

- I. **Call to Order 6:14 pm** Chair Lava
1. Roll Call
  2. Agenda Approval. Agenda approved.
  3. Previous minutes approval for February 5, 2015. Minutes approved.
  4. Safety Minute – 2016 Operation Safety Goals M. Lighthawk
- II. **Item Tabled from Previous Meeting** Leslie Lava
1. Clarification of Purpose, Scope, and Authority of the CBOC

Chair Lava offered time to follow up on discussion points brought up in previous meetings by committee members concerning the purpose, scope, and source of authority for the establishment of the Bond Oversight Committee as well as a broader discussion of the reporting responsibility of the committee to the public.

Following a brief discussion and referring to information previously presented by Jim McManus, it was established that the formation of the committee was based on a statement contained understood that the specific authority for establishing the Citizen's Bond Oversight Committee was contained in the voters' pamphlet argument in favor of Measure F stating, "the bond issue recommending that such a committee be established. . . . an independent Citizens' Oversight Committee will insure that funds are spent properly". This recommendation resulted in the formation of the committee under its own charter which was approved and adopted by the District Board.

Regarding reporting obligations the committee has to the public, Mr. McManus reiterated that, as the Chief Financial Officer, he is required to provide an annual report to the community which will be presented to the committee and the District Board of Directors and publicly posted on the District's website annually. The annual due date of the report is January 1. ~~The committee members expressed satisfaction that their questions and concerns had been properly addressed.~~

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MAY 25, 2016 AT 6:00 P.M.

### III. Measure F: Bond Financing 101

Jim McManus

Mr. McManus presented a set of informational slides that define and describe the G.O. Bond process as well as the various district, government, and legal entities' purpose and roles of the bond process. This slide set will provide the Marin Community with information that will clarify the flow of funds from the taxpayers to the hospital building project (MGH 2.0) and will be posted on the District's website. Mr. McManus invited the committee to comment and/or make suggestions that will improve the materials before posting.

During discussion a few suggestions and edits were recommended by the committee, including:

- 1) Clarification that the \$394M of the bond issuance is not drawn down at the same time and that the bond debt is repaid by the G.O. Bond property tax assessment.
- 2) A graphic illustration of the flow of funds from Taxpayers to bond debt repayment to the investors and the flow of funds from the investors to MGH 2.0.
- 3) Explanation of the involvement and roles of the entities involved in the bond process, i.e.; rating agency, bond trustee, bond advisors, etc.
- 4) Other minor word changes and edits intended to keep the information clear and concise for the public.

Mr. McManus thanked the committee for its input. The Bond Financing 101 presentation will be updated with the suggested changes and posted to the District website and Committee webpage.

### IV. Status of General Obligation Bonds, Funding & Project Costs

Jean Noonan

Ms. Noonan outlined how invoices are paid as the need arises; she works directly with Bank of New York, Mellon (BNY Mellon); we list out the vendors, the amount that needs to be paid and, send the formal requisition and copies of invoices to BNY Mellon who, in turn, pays the invoices by wire transfer or check.

At the end of April, a total of \$136,608,000 remains in the bond fund accounts. Of that total, nearly \$118M was in the project fund (**to be paid** out to vendors/contractors); \$19M in debt service fund (bond payments); and, \$90K cost-of-issuance account.

Ms. Lava asked what happened to the other \$34M of the original \$170M issued. Ms. Noonan responded that 12 requisitions have been made so far as well as receiving the debt service funds from the county at different periods than the actual bond payments are scheduled. Leslie asked if this in-flux of debt service funds can be shown separately as it is difficult to **otherwise** tell **how the what** the normal bond proceeds are **being spent**. Ms. Noonan agreed to include that content in future reports.

12 Requisitions (Pgs. 21-23) – Referring to the slide on page 21, Ms. Noonan spoke to each requisition on the list noting the total amount requested from BNY Mellon as well as which segment

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## CITIZENS' BOND OVERSIGHT COMMITTEE MEETING

MAY 25, 2016 AT 6:00 P.M.

of the project the payments go to. The next slide indicates the six significant vendors paid by BNY Mellon from the first 12 requisitions.

Chair Lava said this is the heart of what the committee will be working on and suggests that including more detail in this part of the report would be helpful, such as; Date Paid, Name of Payee and, Purpose of Payment. Ms. Noonan positively agreed that this information can be generated in a format that will clearly show such detail. Mr. McManus suggested bringing copies of the actual requisitions and Ms. Lava would like to see a chart that has all this information on it so it can be mapped out over the next few years. Also, please add a column that ties payments under the seismic requirements (Measure F).

Relating to one of the significant vendor payees, AON Risk Insurance Service, Mr. McManus stated that normally contractors would provide their own insurance and there is an option to either have an owner controlled construction insurance program or a contractor controlled insurance program. Going with the owner controlled insurance program saves about \$1.5M. Additionally, we also have dual safety programs; McCarthy has a very good safety program that we've seen and AON has their own safety program to oversee what is going on with the project.

Project Funds Expended & Projected Costs 2016-2020 (Pgs. 24-25) – Ms. Noonan pointed out that the Funds Expended schedule shows total to date project costs by categories beginning with 2010 through YTD 2016. Construction progress and costs are reviewed by Vertran & Associates and, along with other project progress indicators are able to forecast and adjust the forecast model on a monthly basis (Projected Costs 2016-2020).

Mr. McManus pointed out the importance of tracking construction costs and project progress throughout the time line. This tracking and forecasting model tells us when we can expect to need to initiate the second tranche of the bonds. At this point, management is expecting to initiate the second tranche towards the end of 2017. This committee will be advised prior to and at the point of initiation of the second tranche.

In response to Mr. Lula's comment from previous meeting, Ms. Noonan asked Vertran to provide a percent of completion schedule breaking out the project completion percentages across all five categories. Additionally, we've provided Actual vs. Budgeted Construction Costs and Percent of Total Construction Costs in this table.

At the request of the committee, Jean will bring a full packet of invoices as an example of what is being submitted for payment by BNY Mellon.

### V. Agenda Items For Next Meeting

Chair Lava

1. Bond Financing 101 (Final Review)

~~2. CFO Annual Report – Review & Comments~~ Status of G.O. Bond Project Costs

### VI. Adjournment

Chair Lava

The meeting adjourned at 7:35pm.

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**Members Absent:** Jeffrey Tsai  
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1. Clarification of Purpose, Scope, and Authority of the CBOC

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Ms. Lava asked what happened to the other \$34M of the original \$170M issued. Ms. Noonan responded that 12 requisitions have been made so far as well as receiving the debt service funds from the county at different periods than the actual bond payments are scheduled. Leslie asked if this in-flux of debt service funds can be shown separately as it is difficult to otherwise tell how the normal bond proceeds are being spent. Ms. Noonan agreed to include that content in future reports.

12 Requisitions (Pgs. 21-23) – Referring to the slide on page 21, Ms. Noonan spoke to each requisition on the list noting the total amount requested from BNY Mellon as well as which segment of the project the payments go to. The next slide indicates the six significant vendors payed by BNY Mellon from the first 12 requisitions.

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Mr. McManus pointed out the importance of tracking construction costs and project progress throughout the time line. This tracking and forecasting model tells us when we can expect to need to initiate the second tranche of the bonds. At this point, management is expecting to initiate the second tranche towards the end of 2017. This committee will be advised prior to and at the point of initiation of the second tranche.

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### V. Agenda Items For Next Meeting

Chair Lava

1. Bond Financing 101 (Final Review)
2. Status of G.O. Bond Project Costs

### VI. Adjournment

Chair Lava

The meeting adjourned at 7:35pm.



# **Annual Report of Sources & Uses of Marin Healthcare District General Obligation (GO) Bonds**



November 15, 2016

TO: Marin Healthcare District Board  
Citizens Bond Oversight Committee

FROM: James P. McManus, Chief Financial Officer  
Marin Healthcare District

SUBJECT: Annual Report of Sources & Uses of Marin Healthcare District General  
Obligation (GO) Bonds

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Pursuant to Government Code Section 53411, the Chief Fiscal Officer is required to file a report with the Governing Body of the District each January 1<sup>st</sup> after issuance of General Obligation Bonds. In a communication to the Marin Healthcare District Board and Bond Oversight Committee dated December 18, 2015, the reporting period of October 31 of each year was selected. This report covers all bond activity of the District for the period November 1, 2015 through October 31, 2016 and is formatted in accordance with subparts (a) and (b) of Government Code Section 53411.

(a) The amount of funds collected and expended.

On November 10, 2015, the Marin Healthcare District issued and received \$170,000,000 of the \$394,000,000 General Obligation Bonds, Election of 2013 as follows:

- Series 2015A Nontaxable \$157,385,000
- Series 2015B Federally Taxable 12,615,000
- \$170,000,000

Proceeds from the issuance of the bonds are held by the Bank of New York Mellon (BNY) Trust Company, also known as the Paying Agent. The Marin Healthcare District issues requisitions, authorizing BNY to pay for expenditures associated with the Voter Measure detailed in (b) below.

(b) The status of any project required or authorized to be funded as identified in subdivision (a) of Section 53410 (specific purposes of the Bond).

Voter Measure F

Measure F which was approved on November 5, 2013 was placed on the ballot as a result of the Board's determination that the District needs funds to:

- Make seismic upgrades to Marin General Hospital (MGH) to meet stricter California earthquake standards and keep open Marin County's only Designated Trauma Center;
- Expand and enhance emergency and other medical facilities;
- Provide modernized medical facilities for treatment of heart, stroke, cancer and other diseases





During the reporting period, construction began on the Marin General Hospital Parking Garage and Hospital Replacement project branded as MGH2.0. In late June, 2016, the Parking Garage was completed and opened for use by employees of Marin General Hospital.

As of October 31, 2016, 24 requisitions totaling \$73,368,970 were issued to BNY authorizing payment for the following expenditures associated with the Measure F:

Hospital Replacement Project Expenditures

• Hospital Replacement	\$37,564,800
• West-Wing Make Ready	12,108,637
• West-Wing Ground + L1	305,172
• Sitework	86,681
Total Hospital Replacement Project Expenditures	\$50,065,290

Parking Garage Expenditures

• Parking Structure	23,303,680
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Total	\$73,368,970
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Citizens Bond Oversight Committee

In accordance with Measure F, a six member Citizens Bond Oversight Committee was created for the purpose of informing the public about expenditures of Measure F bond funds and to ensure that proceeds are expended for the purposes described in Measure F. This Committee meets quarterly and operates under a Charter which has been approved by the Governing Board of the Marin Healthcare District.

For additional information and periodic updates, please visit the Marin Healthcare District website at: <http://www.marinhealthcare.org/marin-general-hospital/bond-committee>.



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



*Creating a healthier Marin together.*

**CITIZENS' BOND OVERSIGHT COMMITTEE**  
**Status of General Obligation Bonds,**  
**Funding & Project Costs**  
**November 16, 2016**

# Bond Requisitions

- As of September 30, 2016, the project fund balance maintained at Bank of New York Mellon was \$100,355,937.12.
- To date, MHD has requested 22 requisitions of bond funds as follows:

Requisition	Date Paid	Hospital Replacement	West Wing Make Ready	Sitework	West Wing Renovation	Hillside Parking Structure	Total
1	12/18/2015	15,468,599.16	3,545,033.43	86,680.70	301,472.04	9,916,287.93	29,318,073.26
2	12/18/2015	6,829.40	45,407.40	-	-	1,342,439.02	1,394,675.82
3	12/31/2015	1,733,061.80	1,113,195.70	-	-	7,500.00	2,853,757.50
4	2/10/2016	4,301,014.57	1,210,694.71	-	-	2,581,072.52	8,092,781.80
5	2/25/2016	1,694,775.67	104,546.60	-	-	1,045,944.02	2,845,266.29
6	3/4/2016	135,293.86	665,495.00	-	-	36,085.91	836,874.77
7	3/14/2016	770,969.12	53,760.83	-	-	1,381,324.26	2,206,054.21
8	3/22/2016	550.00	-	-	-	-	550.00
9	4/6/2016	193,781.25	891,257.50	-	-	19,988.91	1,105,027.66
10	4/12/2016	569,216.35	111,563.39	-	-	1,572,180.96	2,252,960.70
11	4/25/2016	826,269.32	-	-	-	41,333.00	867,602.32
12	5/10/2016	616,625.10	718,475.00	-	-	805.00	1,335,905.10
13	5/24/2016	981,151.49	1,090,745.83	-	-	1,641,958.26	3,713,855.58
14	6/17/2016	318,748.31	98,805.24	-	3,700.00	152,128.52	573,382.07
15	6/21/2016	765,435.16	49,942.00	-	-	1,134,320.82	1,949,697.98
16	7/8/2016	287,438.39	862,449.00	-	-	10,719.41	1,160,606.80
17	7/29/2016	730,142.97	448,345.00	-	-	1,042,196.16	2,220,684.13
18	8/3/2016	833,704.70	-	-	-	26,435.00	860,139.70
19	8/26/2016	196,531.25	4,255.00	-	-	3,799.50	204,585.75
20	8/30/2016	644,231.81	19,913.22	-	-	1,176,595.98	1,840,741.01
21	9/13/2016	191,625.50	256,074.61	-	-	1,128.41	448,828.52
22	9/26/2016	2,741,092.61	517,823.00	-	-	112,488.32	3,371,403.93
<b>Total</b>		<b>34,007,087.79</b>	<b>11,807,782.46</b>	<b>86,680.70</b>	<b>305,172.04</b>	<b>23,246,731.91</b>	<b>69,453,454.90</b>

# Bond Requisitions

Significant vendor payments through the first 22 requisitions:

• McCarthy Building Companies:	\$50,208,550.56
• Lee, Burkhart, and Liu, LLC:	\$5,037,526.57
• Office of Statewide Planning:	\$2,922,848.16
• Perkins Eastman Architects:	\$2,700,647.75
• AON Risk Insurance Service:	\$2,140,326.53
• Vertran Associates, LLC:	\$1,885,471.37
• Fugro Consultants, Inc:	\$781,359.83
• American Solar Corporation:	\$566,891.92
• County of Marin:	\$443,070.32

# MGH 2.0

- ✓ Total project cost is estimated at \$534,864,000.
- ✓ Additional funding from ongoing operations, philanthropic resources and revenue bonds (estimated in 2018) will be used to bridge the gap from \$394M to \$545M.
- ✓ As of September 30, 2016, \$81.8M in expenses have been incurred for MGH 2.0 as follows:

• Hospital Replacement	\$44.2M
• Hillside Parking Structure	\$23.9M
• West Wing Make Ready	\$12.8M
• West Wing Renovation	\$0.6M
• Site Work	\$0.3M
• Total	\$81.8M

# Project Funds Expended

Spec Section	Specification Name		2010	2011	2012	2013	2014	2015	09/30/16	Total
<b>Hillside Parking Structure</b>										
1.00000	Property Acquisition	-	-	-	-	-	-	-	-	-
2.00000	Design	1,181,000	-	-	245,778	47,074	656,553	432,935	62,165	1,444,505
3.00000	Permits & Fees	817,000	-	-	-	-	20,802	438,599	222,358	681,759
4.00000	Construction	23,709,000	-	-	-	-	-	12,223,999	9,165,382	21,389,381
5.00000	Owner Purchased FF&E	30,000	-	-	-	-	-	-	60,000	60,000
6.00000	Major Medical Equipment	-	-	-	-	-	-	-	-	-
7.00000	Data / Communications	225,000	-	-	-	-	-	12,217	316,000	328,217
<b>A</b>	<b>Total Hillside Parking Structure Costs</b>	<b>25,962,000</b>	<b>-</b>	<b>-</b>	<b>245,778</b>	<b>47,074</b>	<b>677,355</b>	<b>13,107,750</b>	<b>9,825,905</b>	<b>23,903,862</b>
<b>B Sitework Project</b>										
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	-	-	-	-	-	-	-	-
5.00000	Owner Purchased FF&E	-	-	-	-	-	-	-	-	-
6.00000	Major Medical Equipment	-	-	-	-	-	-	-	-	-
7.00000	Data / Communications	100,000	-	-	-	-	-	-	-	-
<b>B</b>	<b>Total Sitework Project Costs</b>	<b>11,361,000</b>	<b>-</b>	<b>79,624</b>	<b>-</b>	<b>183,393</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>263,017</b>
<b>C Hospital Replacement Building Project</b>										
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	5,396,737	31,084,780
3.00000	Permits & Fees	16,072,000	-	-	-	-	-	2,863,363	1,637,575	4,500,938
4.00000	Construction	348,281,000	-	-	-	-	-	99,878	8,352,895	8,452,773
5.00000	Owner Purchased FF&E	8,612,000	-	-	-	-	-	-	5,690	5,690
6.00000	Major Medical Equipment	31,745,000	-	-	-	-	-	-	145,000	145,000
7.00000	Data / Communications	7,446,000	-	-	-	-	-	6,132	45,234	51,366
<b>C</b>	<b>Total Hospital Replacement Building Project Costs</b>	<b>439,953,000</b>	<b>5,307,908</b>	<b>1,562,490</b>	<b>878,666</b>	<b>682,814</b>	<b>4,705,174</b>	<b>15,520,362</b>	<b>15,583,131</b>	<b>44,240,546</b>
<b>D West Wing Make Ready Project</b>										
1.00000	Property Acquisition	-	-	-	-	-	-	-	-	-
2.00000	Design	1,385,000	-	178,616	18	24,093	438,524	1,930,128	245,672	2,817,050
3.00000	Permits & Fees	538,000	-	-	-	-	-	100,718	383,890	484,608
4.00000	Construction	16,577,000	-	-	-	-	-	3,375,173	6,055,857	9,431,030
5.00000	Owner Purchased FF&E	100,000	-	-	-	-	-	-	80,000	80,000
6.00000	Major Medical Equipment	-	-	-	-	-	-	-	-	-
7.00000	Data / Communications	-	-	-	-	-	-	337	-	337
<b>D</b>	<b>Total West Wing Make Ready Project Costs</b>	<b>18,600,000</b>	<b>-</b>	<b>178,616</b>	<b>18</b>	<b>24,093</b>	<b>438,524</b>	<b>5,406,355</b>	<b>6,765,419</b>	<b>12,813,024</b>
<b>E West Wing Renovation</b>										
	Design	3,968,000	-	296,623	-	-	-	301,472	3,700	601,795
	Permit	2,116,000	-	-	-	-	-	-	-	-
	Construction	32,904,000	-	-	-	-	-	-	-	-
<b>E</b>	<b>Total West Wing Renovation Costs</b>	<b>38,988,000</b>	<b>-</b>	<b>296,623</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>301,472</b>	<b>3,700</b>	<b>601,795</b>
<b>F</b>	<b>Total Project Costs</b>	<b>534,864,000</b>	<b>5,307,908</b>	<b>2,117,353</b>	<b>1,124,462</b>	<b>937,373</b>	<b>5,821,053</b>	<b>34,335,939</b>	<b>32,178,155</b>	<b>81,822,245</b>



# Projected Costs 2016-2020

Spec Section	Specification Name	2016	2017	2018	2019	2020	9/30/21	Total Budget Remaining	Total
<b>Hillside Parking Structure</b>									
1.00000	Property Acquisition	-	-	-	-	-	-	-	-
2.00000	Design	-	-	-	-	-	-	-	1,444,505
3.00000	Permits & Fees	549,558	-	-	-	-	-	549,558	1,231,317
4.00000	Construction	729,581	-	-	-	-	-	729,581	22,118,962
5.00000	Owner Purchased FF&E	-	-	-	-	-	-	-	60,000
6.00000	Major Medical Equipment	-	-	-	-	-	-	-	-
7.00000	Data / Communications	-	-	-	-	-	-	-	328,217
A	<b>Total Hillside Parking Structure Costs</b>	<b>1,279,139</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,279,139</b>	<b>25,183,001</b>
<b>B Sitework Project</b>									
1.00000	Property Acquisition	-	-	-	-	-	-	-	-
2.00000	Design	-	43,192	586,857	420,934	-	-	1,050,983	1,314,000
3.00000	Permits & Fees	-	-	401,143	300,857	-	-	702,000	702,000
4.00000	Construction	-	-	5,328,682	3,916,318	-	-	9,245,000	9,245,000
5.00000	Owner Purchased FF&E	-	-	-	-	-	-	-	-
6.00000	Major Medical Equipment	-	-	-	-	-	-	-	-
7.00000	Data / Communications	-	-	57,143	42,857	-	-	100,000	100,000
B	<b>Total Sitework Project Costs</b>	<b>-</b>	<b>43,192</b>	<b>6,373,825</b>	<b>4,680,966</b>	<b>-</b>	<b>-</b>	<b>11,097,983</b>	<b>11,361,000</b>
<b>C Hospital Replacement Building Project</b>									
1.00000	Property Acquisition	-	-	-	-	-	-	-	-
2.00000	Design	225,000	900,000	900,000	900,000	225,000	-	3,150,000	34,234,780
3.00000	Permits & Fees	3,491,654	2,966,615	2,966,615	1,898,959	-	-	11,323,843	15,824,781
4.00000	Construction	9,604,620	82,847,244	160,605,224	77,734,476	3,128,572	-	333,920,136	342,372,908
5.00000	Owner Purchased FF&E	188,750	1,745,938	6,750,290	-	-	-	8,684,978	8,690,668
6.00000	Major Medical Equipment	-	3,095,138	15,951,863	12,698,000	-	-	31,745,001	31,890,001
7.00000	Data / Communications	56,776	755,024	4,524,376	2,054,735	-	-	7,390,911	7,442,277
C	<b>Total Hospital Replacement Building Project Costs</b>	<b>13,566,800</b>	<b>92,309,959</b>	<b>191,698,368</b>	<b>95,286,170</b>	<b>3,353,572</b>	<b>-</b>	<b>396,214,869</b>	<b>440,455,415</b>
<b>D West Wing Make Ready Project</b>									
1.00000	Property Acquisition	-	-	-	-	-	-	-	-
2.00000	Design	-	-	-	-	-	-	-	2,817,050
3.00000	Permits & Fees	-	-	-	-	-	-	-	484,608
4.00000	Construction	3,028,052	809,942	-	-	-	-	3,837,994	13,269,024
5.00000	Owner Purchased FF&E	-	-	-	-	-	-	-	80,000
6.00000	Major Medical Equipment	-	-	-	-	-	-	-	-
7.00000	Data / Communications	-	-	-	-	-	-	-	337
D	<b>Total West Wing Make Ready Project Costs</b>	<b>3,028,052</b>	<b>809,942</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,837,994</b>	<b>16,651,018</b>
<b>E West Wing Renovation</b>									
	Design	-	-	317,440	2,515,499	536,966	-	3,369,905	3,971,700
	Permit	-	-	-	1,198,253	793,012	124,736	2,116,001	2,116,001
	Construction	-	-	79,350	2,813,718	20,885,337	9,125,594	32,903,999	32,903,999
E	<b>Total West Wing Renovation Costs</b>	<b>-</b>	<b>-</b>	<b>396,790</b>	<b>6,527,470</b>	<b>22,215,315</b>	<b>9,250,330</b>	<b>38,389,905</b>	<b>38,991,700</b>
F	<b>Total Project Costs</b>	<b>17,873,991</b>	<b>93,163,093</b>	<b>198,468,983</b>	<b>106,494,606</b>	<b>25,568,887</b>	<b>9,250,330</b>	<b>450,819,889</b>	<b>532,642,134</b>





# Budget to Actual Variance

- As of September 30, 2016

	Hospital Replacement	West Wing Make Ready	Hillside Parking Structure	West Wing Renovation	Site Work	Total
Actual Construction Costs	\$ 44,240,546	\$ 12,813,024	\$ 23,903,862	\$ 601,796	\$ 263,017	\$ 81,822,245
Total Budgeted Construction Costs	\$ 80,033,506	\$ 15,600,000	\$ 25,962,000	\$ 635,061	\$ 2,868,908	\$ 125,099,475
Favorable/(Unfavorable) Variance	\$ 35,792,960	\$ 2,786,976	\$ 2,058,138	\$ 33,265	\$ 2,605,891	\$ 43,277,230
Variance %	44.7%	17.9%	7.9%	5.2%	90.8%	34.6%



**CITIZENS' BOND OVERSIGHT COMMITTEE  
2017 Schedule (Tentative)**

**1<sup>st</sup> Quarter: February 15**

**2<sup>nd</sup> Quarter: May 17**

**3<sup>rd</sup> Quarter: August 16**

**4<sup>th</sup> Quarter: November 15**