



MEMO

To: Jay Reynolds, Chairman of Finance Committee
From: Noe Del Bosque, VP Patient Experience and Safety
CC: Finance Committee
Date: 11/18/2019
Re: NICU/Pharmacy Project Elevator Change Order

Midland Health (MH) is requesting the approval of the elevator addition *construction cost only* change order in the amount of \$927,259.

The elevator addition will complement the existing three service staff elevators located in the Scharbauer tower. The addition will help alleviate elevator traffic congestion during normal day-day hospital operations use when the 9th floor is ready for patient use and will also help as the 9th floor shelled space is under construction by not utilizing the existing three service staff elevators.

Scenario's

There are two scenarios we are faced with all depending on the 9th-floor Construction Manager selection (first week of December) that may potentially reduce the construction cost of this request.

- Scenario # 1: Layton is awarded the 9th-floor construction project, their construction costs may decrease because of the competitive pricing pursued with sub-contractors that are ultimately selected for this project.
- Scenario #2: Layton is not awarded the 9th-floor project, as a result, the original quote for \$927,259 goes into effect.

We plan to initiate an RFP for the elevator cab itself and utilize Layton Construction as the general contractor since they are already here working on the NICU/Pharmacy project buildout.

Funds to support the change order will be coming from the FMH Foundation grant that was granted for the 9th-floor buildout for the amount of \$18M. The original total estimated cost of the elevator is \$850,000. No NICU or Pharmacy project funds will be used to support this change order. Attached you will find Layton Construction's proposal.

In closing, Midland Health (MH) is requesting the approval of the elevator addition *construction cost only* change order in the amount of \$927,259.