

THE NEW NURSING HOME BUILDING ADVISORY SUBCOMMITTEE
MEETING REPORT OF TUESDAY, AUGUST 15, 2023

The New Nursing Home Building Advisory Subcommittee met on Tuesday, August 15, 2023, at 1:30 p.m. in the Commissioners' Conference Room, William A. Grimes Justice and Administration Building, 259 County Farm Road, Suite 204, Dover, New Hampshire, to receive an update on the site work and building design of a new nursing home on county property.

Subcommittee Chairman Fitzpatrick welcomed everyone to the informational meeting and thanked them for serving on this committee. He then asked everyone to stand for the pledge of allegiance and moment of silence.

Attendance was taken and present were Representatives Fitzpatrick, Grassie, Bickford, LaMontagne, Newton, and Pitre. Representative Howland was excused. Also present were Delegation Chairman Schmidt, and Representative Bailey, along with Strafford County Commissioners Maglaras, and Watson, County Attorney Velardi, County Administrator Bower, COVID-19 Operations Coordinator Haskins-Belanger, Finance Director Legere, Population Health Coordinator Dr. Tory Jennison, Jonathan Halle of Co-owner of Warrenstreet Architects, and Administrative Assistant/Deputy Treasurer Hilber.

Update on Site Work for Building a New Nursing Home on County Property: Subcommittee Chairman Fitzpatrick invited Jonathan Halle, co-owner of Warrenstreet Architects, to present the update on the new nursing home project. Mr. Halle provided a little history on the first masterplan concept for the new building and noted the differences with the current proposed conceptual plans, most notably the location which is now the lot closest to Erik Drive and the building shape, which has a smaller footprint, up to six stories high. He provided a packet with site plans, proposed floor plans, pictures, and spreadsheet cost reports for a new total projected cost of \$146 million to \$164 million, as shown in attached exhibit. The updated construction estimate for 289,000 square feet with the same elements as the original concept is \$119 million, but needs to include a 15% design contingency with the expandability options to plan for the increase in need as baby boomers age resulting in an approximate \$567 per square foot construction costs. The original conceptual plans were for \$514 per square foot for 100,000 more square feet which included an unfinished basement and different construction type. He noted the significant costs and potential revenue losses if Riverside Rest Home were to be renovated, which would entail meeting current Centers for Medicare & Medicaid Services, (CMS) guidelines requiring the doubling of the current footprint along with expensive remediation of hazardous materials. He reviewed information on the archeological and wildlife surveys which impacted the site location along with extensive delays and significant increases in costs unless the original site was changed. The new site would allow the project to start in time to take advantage of the possible American Rescue Plan Act (ARPA) funds with the least impact on wetlands. Mr. Halle reported on the CMS and Department of Health and Human Services (DHHS) requirements for long-term care facility construction, which include an exterior window and additional square footage around every bed. The resident rooms will each have a $\frac{3}{4}$ bathroom with individual showers and enough room for staff assistance, all levels and wings will be set up identically for staff efficiency with nursing stations at the center, a created walking loop for those with dementia, an enclosed atrium, a walk around town square entrance area, and two wings which the roofs will be built with concrete deck providing future expansion for an additional 24 beds. The scientists feel very comfortable with the site being buildable after surveying all the county land and based on the 600 test holes already dug, but an additional 16 borings expected to be 100 feet deep are scheduled for September and will provide information on the geothermal potential. Mr. Halle will continue to meet with staff to help for identify efficiencies best addressed during the design phase. He also noted the new site would allow potential future ancillary housing possibilities and a solar farm. Commissioner Maglaras explained the healthcare industry changes will start with providing an increase in bed licenses to current nursing homes. Therefore, providing flexibility in the capacity would be crucial to address the future needs with the least cost impacts. He and Delegation Chairman Schmidt also noted the increase in revenues from the new nursing home based on the services provided that the current building is not equipped to provide. Administrator Bower reported he is working with former DHHS Commissioner Lori Shibinette to verify the calculations presented by Ms. Haskins-Belanger during last year's meetings and will have a report soon that will be shared with the building and executive committees as requested by the republican delegation members. Mr. Halle reviewed a hopeful timeline if approved to start drilling the 16 borings in September, complete the historic and archeological surveys, send construction drawings to the state by the first of the year, receive permits back in hand in May or June, request construction bids late fall, and have a complete building design by the end of 2024 to start construction at the beginning of 2025.

There was a discussion regarding the purchase of other land for the new nursing home. Commissioner Maglaras noted that a new parcel would require restarting site work with the potential for the same results and would push the project back even further. He also pointed out that the purchase of a new site would remove the tax base from the city or town where the land would be located forever. Administrator Bower stated this option would also require the hiring of an additional administrator and other staff such as maintenance, laundry, and food service that could be shared if the project stays on the current county complex. Rep. LaMontagne noted her concern with the exterior look of the building looking like a federal reserve bank and would really like to have a visible daycare on site to provide joy to the residents. Rep. Newton noted how well the county buildings have been maintained and the importance of keeping the new nursing home on the complex. He requested solid numbers of estimated cost breakdowns for each year and noted he is against bonding the full amount all at once. Commissioner Maglaras stated a projected financial impact plan will be created after the report is received from Ms. Shibinette and that the money would only be borrowed as needed. He described the plans for Bond Anticipation Notes and other things that would provide the least amount of cash flow impact, similar to how the jail was financed. He also noted the delegation's purview is the direction, the concept, and the amount of money to complete the project, while the commissioners will be designing the internal aspect to generate as much revenue as possible, just like they did for the jail, which has raised over \$80 million on a \$30 million project.

THE NEW NURSING HOME BUILDING ADVISORY SUBCOMMITTEE
MEETING REPORT OF TUESDAY, AUGUST 15, 2023

Page 2

Administrator Bower clarified the conceptual plan never included seeking to borrow the entire amount and begin making full bond payments before any revenue comes into the building. The borrowing would be based off the cash flow charts created after the construction bid award. He noted two critical issue of how far do we proceed with design and spending the \$6 million awarded to the architects without additional delegation approval, and how long before we lose the \$15.6 million in ARPA Funds. Rep. Pitre noted the new proposed site may not be the best soils in the county, but the proximity to the current nursing home outweighs the other site options, that the site seems to have picked itself, and he likes the vertical design better than the horizontal. Mr. Halle reported another \$100,000 will be spent in September for the geotech and archeology history. Commissioner Maglaras noted the CMS regulations control certain aspects of the building that are beyond the control of the commissioners or delegation. Warrentstreet Architects did a pretty good job of taking the priorities of the county commissioners and working them into the design plan while meeting all the CMS regulations. It was noted that delegation needs to approve the bonding, but it won't happen unless everyone is happy with the overall project and site. Rep. Grassie pointed out that trying to approve bonding in bits and pieces by the delegation as requested by another representative would not work because the building project application needs approval for full bond amount first. Commissioner Maglaras explained once the delegation votes for an approved amount, the process would include a cash flow analysis based on expenses, then borrow for just those expenses usually through Bond Anticipation Notes and pay ARPA money for the items specifically for Covid, such as heating, ventilating, and air conditioning (HVAC). Mr. Halle is looking for approval and support from the building committee for the direction we are heading to do due diligence on geotech, archeology, and history over the next month and a half and then possibly meet with the delegation to review the new design and approval of the full project. Rep. Newton noted the current plan is better than the original, but he believes there are still more unknowns that need to be answered. Administrator Bower noted this is a courtesy meeting to update the committee on progress made as soon as possible after the information was provided at the Commissioners' Public Meeting on Thursday, August 10, 2023. He further noted the commissioners will authorize the architects to move forward with the project and updates will continue to be provided to the New Nursing Home Building Advisory Committee when available. Rep. Newton requested the County Calendar and Agendas be more easily found on the website, which will be addressed.

Other Business: Subcommittee Chairman Fitzpatrick asked if there was any other business for the subcommittee to discuss. There was none.

With no further business, Subcommittee Chairman Fitzpatrick adjourned the meeting at 2:53 p.m. without objection.

Respectfully submitted,

Janet Hilber

Janet Hilber, Administrative Assistant

Cc: Stafford County Commissioners Maglaras, Watson and Rollo
 Executive Committee & Delegation Members