

Carroll County Commissioners Minutes

Wednesday, November 5, 2008

Commissioners Present: David Sorensen, Marge Webster, and Peter Olkkola

Others Present: Dorothy Solomon, Chip Albee, Maureen Spencer, Henry Spencer, Rod Cools, and Nate Giarnese.

Meeting Called to Order at 8:20 am by David Sorensen

· Commissioner Sorensen asked for any comments on the approval of last week's minutes,
Commissioner Webster made motion; Commissioner Olkkola seconded motion.
Unanimous approval.

Interviews

William E. McChesney

· Experience as a Project Coordinator (Owners Project Manager)
· Commissioner Sorensen asked Mr. McChesney for his background
· William McChesney stated that he has recently been the Public Manager/
Administrator
for Tufonboro. Has worked as an Engineering Estimator. Has worked in the public sector and for engineering firms. "Clerk of the Works".
· Mr. McChesney was in charge of coordinating the building of the parking garage at Manchester Airport.
· Mr. McChesney has experience in concrete and masonry structures, reviewing requisitions and materials testing. All aspects of modern engineering techniques.
· Commissioner Webster had specific questions for Mr. McChesney:
Have you ever built a medical facility? No
Have you ever worked or built other projects with counties in New Hampshire? No
Do you have the ability or construction experience to walk through this large project from beginning with the CON process and through the architectural and political process? Yes
How high can you be bonded for? I do not know
Some think we do not need a Clerk of the Works but that we need a company that has
the in depth knowledge of a large construction project. To see that this project is completed on time, on budget and at or under the GMP that has been appropriated by
the delegation. Why do you think you have the experience to oversee this project?

Typically what I have done is worked for companies. You hire me as an individual and you save the cost of hiring a big company who then hires me. It depends on what you want as this doesn't seem to be a very big project. You will save to hire an individual and you are still getting the same person with the same skills.

- Commissioner Webster stated that this would be a 20-25 million project, a mediocre size project.
- Mr. McChesney replied that it is a small project, that he works on projects from 8 or 9 million to 40 million dollars.
- Commissioner Webster asked if Mr. McChesney has ever done a project that required walking the client through the CON (Certificate of Need) process.
- Mr. McChesney replied that he had. It is a typical part of his job
- Commissioner Webster asked if Mr. McChesney has Carroll County connections.
- Mr. McChesney is currently working for Tufonboro.
- Commissioner Sorenson asked what type of companies Mr. McChesney worked for in Massachusetts.
- Mr. McChesney stated that he worked on Fire Stations and Police Stations that had been designed by specialty firms.
- Commissioner Sorenson asked how many building Mr. McChesney had built in Massachusetts. Mr. McChesney replied that he had done three buildings.
- Commissioner Sorenson asked if there were any other states that he had worked in. Mr. McChesney replied that he had worked in New Hampshire and Connecticut. He has always worked for a firm.
- Commissioner Webster thanked Mr. McChesney for coming.

R. Christopher Reisdorf

- Commissioner Sorenson asked Mr. Reisdorf what his background was. Mr. Reisdorf replied that he has worked and clerked on construction jobs all his life. He has done mostly schools and worked on nursing homes, retail outlet stores and commercial projects. He did this is a hands on worker capacity not as a project coordinator. He is a project coordinator in sealant.
- Commissioner Webster had questions for Mr. Reisdorf:
Have you ever built a medical facility? No
Have you ever worked or built other projects with counties in New Hampshire? No
Do you have the ability or construction experience to walk through this large project from beginning with the CON process and through the architectural and political

process? No, I have never done this

How high can you be bonded for? I do not know

Why do you want to do this project other than for money? I enjoy working on buildings and feel that the interest of the public is important. I have been a Town councilor and feel that I can use my insight into the need for quality and use of dollars and cents.

· Commissioner Sorenson asked if Mr. Reisdorf had any experience in alternative Energy. Mr. McChesney replied that he had researched this for his own home and the cost feasibility of it. Looking at Geo-thermal energy may be something else that you want to look at. It is not a short-term deal, you need to look into the future and see how it will benefit long term.

· Commissioner Sorenson asked if Mr. Reisdorf had any connections to Carroll County.

Mr. Reisdorf stated that he owned some property in Center Conway that he hopes to

build on in the future.

· Commissioner Sorensen asked what type of construction Mr. Reisdorf is familiar with.

Mr. Reisdorf stated that he is familiar with all types including masonry, trusses, wood structures and steel.

· Commissioner Sorenson asked if he did a lot of subcontracting. Mr. Reisdorf said that as

a caulking contractor he did a lot of schools and other buildings like that. You look at the

outside to make it tight and know that it is going to last 30 to 40 years.

· Commissioner Webster thanked Mr. Reisdorf for coming.

Commissioner Sorenson opened for Public input at this time for any issues or comments.

· Dorothy Solomon stated in reference to the discussions on October 29, 2008. The recycling plants are no longer able to get any money for cardboard and paper and actually have to pay to get rid of it. Mr. Cools replied that the price goes up and down.

· Henry Spencer asked about using the kitchen in the jail for a training program. Commissioner Webster replied that if the kitchen is serving food then it couldn't be used

for training. They would need two separate kitchens. Henry Spencer will be researching this issue.

· Henry Spencer asked about the youth situation and was informed by Commissioner

Webster that any youth under the age of 18 cannot be kept in the facility. There is no

space on the complex to use for this purpose.

· Commissioner Webster stated that the situation does need to be looked at but it is the

States responsibility and the counties are reluctant due to the states lack of negotiation.

- Commissioner Sorensen stated that Strafford County would work with us and supply some people to help see about the Academy program. This would help to get some people out of jail by teaching them life skills.
- Commissioner Webster explained how the academy program worked. They are in the program for a year and there are many stipulations. These prior offenders learn to live in the environment, stay clean and be productive members of the community. They learn to live and take care of themselves. If they are not educated they will go back to their old lifestyle and end up back in the facility.

There was general input into the discussion by Chip Albee, Maureen Spencer, Henry Spencer, and Commissioner Webster.

- Jon Hebert joined the meeting for a moment to report that a wind speed device, put on the communications tower for the temporary purpose of gauging, is not an issue, it can be done as long as the person who does it is certified and keeps it out of the way of communications.

Mike Pulling, Health Care

- Commissioner Sorensen asked Mike Pulling if he had any additions to his written proposal that he would like to add. Mike Pulling stated that it was complete. It is for the first phase only and a project coordinator should be named for each phase.

Cost wise the goals are established in the proposal.

- Commissioner Sorensen asked if Mike Pulling was aware that the CON could be expedited due to circumstances. Is that something that he can do? Mike Pulling said that yes, he could do the CON and has done it in NH and other states. He would do it personally. Having the approval of a feasible CON is the key.

· Commissioner Webster asked the following questions:

Have you ever built a medical facility? I am not a general contractor but I have overseen the construction of them.

What was the cost of Our Lady of Angels?

There are several projects involved but the skilled nursing was 3.5 million.

Have you ever worked or built other projects with counties in New Hampshire? Yes, I

have worked with Sullivan County for their assisted living facility, which is on hold at this time.

How high can you be bonded for? I do not know

· Commissioner Webster stated that she thought the numbers of 9 million were way off for this project. Why would you put that figure in there? Mike Pulling replied that he tried to avoid thinking in that sense but used professional input. He brought in Russell Construction Services out of Rutland and used his estimator, as well as the estimator from Fredrick Ward Associates. The numbers came from those professionals and they were comfortable with those numbers. The cost is based on 450sq ft per bed on average. This is 1/3 higher than what you have now.

· Commissioner Sorensen asked what the longevity of the building would be. Mike Pulling said that at least 30 to 40 years could be expected.

· Commissioner Webster added that there is going to be significant change in the next 10-30 years and they should not short sight the new facility so that there is a problem a few years from now. If the numbers are too low things may be cut that should not be and that is where the problems begin.

· Mike Pulling stated that skilled nursing is changing and the focus is now on home and community based services. Skilled nursing will be required for people who have a higher level of need due to physical and cognitive impairment.

· Commissioner Webster stated that the population increase in this county is currently 8.5%. In the next 20 years it will be 196% increase. Mike Pulling said there would be a big increase in the population between the ages of 65 and 74. Those are still very active people. Over the age of 75 is a totally different group of people. The population of Mountain View at this time is close to 90 or over.

· Commissioner Sorensen commented that in the study it showed that there was a need for 10-12 extra beds. There is a need for at least that many based on my numbers but the state has their numbers. There would be room for additional beds to get up to a more efficient unit size.

· Commissioner Sorensen asked what the efficiency number is in regard to beds. Mike Pulling said that if you can spread the fixed and variable costs over a larger number of beds that is good. 103 are acceptable but 120 are better.

· Commissioner Sorensen asked what Mike Pullings interest is in alternative energy in this type of facility. Mike replied that you have to be in favor of alternatives and have

architects that are involved with looking at energy conservation and greenhouse design.

The residents like the concept but as you add dollars on to it they like it less. Having a

way to raise donated funds and grants are a good way to give us additional finances.

· Commissioner Sorensen asked if grants are available for construction costs as well as

operational expenses? Mike replied that yes they are available but it depends upon the

people who have personal interest in the facility in order to acquire the grants and raise

funds for the further amenities you may want to add.

· Commissioner Webster commented that the public would be incredibly willing to contribute sums of money without it being a non-profit.

· Commissioner Sorensen commented on the wording of the proposal that the construction would take 30 months and Mike would be here two times per month.

Mike

Pulling stated that he feels with the coordination he would not need to be there any more

frequently than that.

· Commissioner Sorensen asked if he had worked with a building committee before and

how many people should be on the committee. Mike stated that the smaller the better.

· Commissioner Olkkola asked how the figure of \$9+ million was arrived at and how the

square footage was computed. Mike stated escalating the square footage per bed to 450,

which is the current standard, arrived at the figure. Using \$150 per sq ft for construction, \$15 per sq ft for site development and \$4000 per room for major movable

equipment. The financing is based on 6.5% interest, which is uncertain at this time.

· Commissioner Sorensen asked if metal partitions would be adequate for the construction

of this facility. Mike stated that the construction engineers and estimators would make

this final ascertainment after a feasibility study.

· Commissioner Sorensen stated that the problems were encountered at the jail with cutting expenses at the end and downgrading in areas that were very important to the

facility. How do we catch these issues before they are done?

· Mike stated that with the proper supervision this would not happen. With the evaluation up front there will be no surprises and this will not become an issue.

· Commissioner Webster is concerned that the estimate of \$9 million is very low and things that are needed will be cut if that figure is used. She does not want that to happen.

· Mike stated that this is not going to be an easy job for the project coordinator.

· Commissioner Sorensen asked if Mike is prepared to follow through with the whole

project. Mike said that he is prepared and that this job will be his primary focus.

Once

there is an appropriate team set up and contract arrangements it will be monitored to make sure that everything is coming together as needed.

- Commissioner Webster stated that you need to have the right project manager and the

right superintendent that are very diligent. Mike stated that he has an outline that is very specific in hiring these people and check on their backgrounds in this field and how

they operate.

- Commissioner Sorensen asked if any of the public present had any questions for Mike

Pulling.

- Chip Albee questioned the cost of \$14.82 reimbursement from Medicaid per resident

day. Mike said the way that the Department of Health and Human Services operates for

nursing facility reimbursement is that they have a set amount that is permitted and they place the permissible expenditure for new beds at 80% of what the average cost of

capital is. This is not a guaranteed amount and could change at any time.

- Maureen Spencer asked what the square footage of the entire building is going to be.

Mike stated that it was 46,350. Maureen asked what this included. Mike stated that it

includes the whole building (rooms, nursing stations, hallways, kitchen, common areas,

working areas, physical therapy, etc.) Maureen: Does a respite area figure in to this?

Mike: It could and it would be nice to have that.

Maureen wanted to know if when looking at the CON will younger people be considered

or just people over 90? Mike: Everyone will be considered.

- Henry Spencer asked if getting a CON for 120 beds would be better than 103 for billing situations. Mike stated that there has been a moratorium on CONs right now and we need to research appropriately, then get permission to submit a CON with significant life safety code situations.

- Commissioner Sorensen stated that the CON can be expedited due to the Significant life safety situations.

- Commissioner Sorensen thanked Mr. Pulling for coming today.

Frank Mazzuchelli, Total Project Control Inc.

- Commissioner Sorensen questioned Mr. Mazzuchelli's experience in the construction of facilities. Mr. Mazzuchelli stated that he has worked on hotels, Hospitals and industrial projects. He has done wood frame, steel and block construction. He has been in business for himself for ten years. Until that time he worked for contractors. He is an Independent Project Manager that takes the

project from the start to finish and sets each piece up to run smoothly.

· Commissioner Webster had specific questions:

Have you ever worked or built other projects with counties in New Hampshire? No
Do you have the ability or construction experience to walk through this project from beginning to end and submit and have you ever done a CON? No, I have never done a CON or worked with political processes.

Do you have the ability to be bonded? I am not but I can. I have liability insurance

Why do you want to do this project except for the dollars? It is a project that I would like to do and I like construction. I have had personal experience with nursing homes in the last few years with relatives and taking care of old people is important. I am at a place in my career where I can choose what I want to do. This will be a tough, hard project. I am detail oriented and try to resolve anything that someone else might miss.

· Commissioner Sorensen asked if Frank would do the CON personally if he would hire it out? Frank stated that he would probably hire it out and oversee it and make sure it is done right.

· What kind of experience have you had with alternative energy such as geothermal?

Frank stated that he has had no experience with alternative energy.

· Commissioner Sorensen asked if there were any questions from the public regarding

Mr. Mazzuchelli's proposal.

· Maureen Spencer questioned if he had any idea what the cost of building the facility

would be. Frank said that until he sat down with someone and went over detail he could

not give a set cost on the project at this time.

· Maureen Spencer asked what he would be able to do for alternative energy. Frank stated that he would be the project manager and would hire the experts in the fields to

do this as well as all electrical, mechanical and architectural.

· Commissioner Webster asked when and where the last project was the Mr. Mazzuchelli

had worked on. Frank stated that his last project was a month ago and it was a Burger

King.

· Commissioner Sorensen asked how we would get a handle on what this thing will cost if

you came on as project manager? Frank said that the first thing he would do was to sit

down and find out exactly what you wanted in the facility. Then deal with architects, contractors, etc.

· Commissioner Sorensen asked if he had built anything other than flat roofs. Frank Stated that most have been flat roofs but some of the hotels had gabled roofs.

· Chip Albee asked if in his professional opinion would \$150 per sq ft appropriate for any kind of facility like this? Frank stated that yes that would be pretty good

but he has never built a medical facility.

- Commissioner Sorensen asked which construction Frank would prefer. He stated Steel and metal studs with veneer. He would not use wood frame and block is more expensive. Commissioner Sorensen added that the Merrimac County nursing home has a window in every bedroom and they have geo-thermal capabilities.

- Commissioner Webster thanked Mr. Mazzuchelli for coming.

Bonnett, Page & Stone Corp. (Randy Remick, Keith McBay, Jim Kimball)

- Commissioner Sorensen asked that Randy Remick introduce himself and his partners.

Randy Remick gave an overview of his company and their experience.

The company has been around for over 40 years and the services that they perform are

exactly what this project entails. They take the project from start to finish and solve every problem as a group with the professional consulting that gets you down that path.

Coming up with the best options and best choice of engineers and recommend the best

teams. We deal with all the regulatory groups all the time and deal with bond issues frequently. They do work for the public such as schools, libraries, medical offices, nursing facilities, assisted living facilities, town buildings, etc. They work all over the state of New Hampshire and they are based in Laconia. They have worked with most all

of the counties at one time. Significant experience in Green technology and have been

working on a high school for the last 22-23 months. The building has been 90% recycled

from the old construction. They have many green options in the building for energy savings. They did not use geo-thermal on this building.

- Commissioner Sorensen asked if they have done any geothermal constructions yet.

- Randy replied that not at this time but they have been doing studies on cost paybacks so that facilities can make the correct decision. It is generally a 7-8years before you see a payback on the geo-thermal issue.

- Commissioner Olkkola asked if they do construction in the winter. Randy replied that they do a lot of construction in the winter and by using a controlled environment so that the concrete does not crack and heave. Common sense choices must be used in these instances. If there are time constraints then the higher cost of doing the construction in the winter is feasible.

- Keith McBay put together a time-line from how to get from today to the actual start of construction. (this was handed out to everyone present).

- Commissioner Sorensen asked if they would do the CON personally or if they would contract it out. Randy stated that they would do it as a group. Our job is to assist the design team and extract all the information to bring your vision and specifics of what you want to see to fruition. Get the CON onboard ASAP as soon as you are comfortable with plan and dollars.

. Commissioner Webster stated that the CON would be expedited and the process would be approved in 45-90 days due to life safety issues. Keith stated that it may make sense then to pull the trigger on the final basic design immediately (which can be adjusted later). The design development designs would be fine for this.

· Keith made the suggestion that you allow the design team to draw all winter and then bid out and assemble teams for every aspect of the project. Then begin the project in the summer of 2010.

· Randy added that by doing it this way you can avoid doing the winter build and have the facility shell up and have things under cover for the winter.

· Commissioner Sorensen stated that according to their schedule we are looking for construction to begin in the Spring/Summer of 2010. Randy said yes but if you accelerate the CON it may be started a little sooner.

· Commissioner Webster said the piece that is going to be needed by the team is the cost and solid numbers. Keith said they would have the initial budget in late February or early March. Commissioner Webster said that would be perfect so the Delegation could approve the budget by March 30th of 2009.

· Commissioner Sorensen stated that by having an up to date sewage and water system it should help with the costs.

· Commissioner Webster has specific questions.

Can you be bonded and how high can you be bonded for. Up to 60 million.

· Commissioner Sorensen asked what you estimate it will cost per square foot.

· Randy stated that for the basic construction you are looking at \$150-\$175 per square

foot but for a medical facility you are looking at \$200 and up. For a turnkey project you

can be talking about \$450, which includes all soft goods.

· Keith added that on a project this size you do not need a clerk of the works with this

company. It is the same team as well as our experienced site team from beginning to

end.

· Commissioner Webster stated that Joe Cherry is a project superintendent and we would

be very fortunate to have him on this project. He has 35 years experience.

· Randy stated that Joe Cherry has a quality standard that he wants met and if the a sub-

contractor does not meet his standard then he will be right there on top of it to control

the environment.

· Commissioner Sorensen asked how we budget for the transition of patients to the new

facility? Randy stated that they would develop a master budget for the whole process.

Keith added that soft cost items used to not be included in the budgets but now it is more controlled and assists the owner with the whole project. This alleviates

overspending and duplication.

- Chip Albee wanted to know if they are actually going to build the structure or will you just be the construction manager? Randy stated that they would be the construction manager on a project this big and that 90% of it would be subbed out. Chip Albee asked (referring to the time line) if 90-120 days was an appropriate amount of time for the initial schematic design. Keith said that it was and that they could pull that together quickly once they have the program settled. Randy stated that we would talk to you about the architectural firms experienced for this job and cover each aspect with you. Architecturally and engineering wise from a budget standpoint, getting to the schematic level of drawings is a very small piece of the overall cost of design. The written program has to be developed first and then that drives the schematic. This can happen very fast and we can do it as fast as you are comfortable with. Chip Albee was concerned about geo-thermal, passive solar, active solar, size etc. will that significantly slow down the process? Randy stated that between them and the architect they will be able to discuss that and have it decided at the very first meeting. It is going to depend upon your location, land, building costs, etc. These are all cost issues. (Commissioner Sorensen commented on a drive-in basement).
- Commissioner Webster stated that we need to make sure that we get it right the first time and make it a practical home with technological design. The atmosphere is very important. It needs to be a place that you would want to live or where you would want to put your loved one.
- Chip Albee asked if they have gotten any post-construction feedback from clients. Randy stated that it is typically the mechanical engineers that get the feedback. People are coming in behind the builder and tuning up the building to make sure that everything works efficiently (in reference to green buildings).
- Keith stated that the operational costs of a modern air system will not necessarily be less due to the need for airflow. The newer super insulated shells have to have air handlers to circulate the air.
- Commissioner Sorensen wanted to know what kind of heat there would be in the new facility. Randy answered that it would most likely be a combination of air and forced hot water. It depends on the needs of the facility.
- Commissioner Sorensen asked if there were any further questions.
- Randy added that someone had a question on fees. The consulting fee of \$25,000 covers pre-construction. This includes any meeting you may need whether it is public

meetings, working meetings; helping to hire the architect, whatever is needed. We then have a fee of 3.5% of the overall construction. This fee takes you all the way to the other end of the project. Chip Albee had a concern on their getting a percentage of the total project. What is making you go toward economy and efficiency if the higher the price the more you make? Randy stated that this is not the case. They work with the delegation and you have input at every level. Keith added that what it comes down to is a need for the trust of the team. They are a local company and they have a reputation of honesty and integrity. They do not want to jeopardize this reputation. Randy added that there are ways to deal with the concerns such as a fixed fee on budget, an upfront goal, etc. We can discuss that further.

At 12:10 pm Commissioner Sorensen had a brief session with Steve Eldridge from MVNH and Susan, Director of activities at MVNH, about the acquisition of a different van.

- Commissioner Sorensen stated that Steve and Susan were to go and check out a van.

Susan stated that they had looked at the van and it was much more useful than the present van they have. The lift is much more stable and secure and will hold up to 850lbs. The largest wheelchair will fit in this van. The van will comfortably hold 3 wheelchairs and possibly 4. The capacity of the new van is 6 patients or 3-4 wheelchairs plus the driver.

- Commissioner Sorensen asked what the question of rust was. Steve Eldridge answered that because the van is not new he was concerned that it may rust out sooner. The van has 76,000 miles on it but otherwise is spotless. If we pressure wash it and keep it under cover it should not be a problem.

- Commissioner Sorensen asked what the mileage on the present van is. Steve Eldridge said that it is at 9,000 miles but will only hold one wheelchair unless they put them sideways which is not safe.

- Commissioner Sorensen asked if Steve recommends trading equally. Steve stated that he did even though it was not ideal. It fits the need for a van that will carry more than one patient. Susan stated that with the van you do not need a CDL and would not have to take out the bus (which has a two year life expectancy at this point). Right now they

do not have a driver for the bus and are finding it harder to keep hire and keep a driver.

- Commissioner Olkkola stated that if they think that it works for them and they want to

do it they should go for it. They are the ones that use the vehicle and know what is needed.

- Commissioner Olkkola made motion to trade the present van for a larger van from ride-

away in Londonderry, NH with no money involved. Commissioner Webster seconded

the motion. All were in favor of the motion and it was passed.

Meeting adjourned at 12:15pm