

Report LTCR-SS-07-16

To: Chair Burley and Members of the Social Services Committee
From: Jennifer Cornell, Administrator, Grey Gables
Renate Cowan, Administrator, Lee Manor
Karen Kraus, Administrator, Rockwood Terrace
Doug Johnstone, Financial Analyst
Meeting Date: April 13, 2016
Subject: **Long Term Care 2017-2021 Draft Five Year Capital Forecast**
Status: Recommendation adopted by Committee as **amended** per Resolution SSC35-16; Endorsed by County Council May 3, 2016 per Resolution CC56-16;

Recommendation(s)

THAT Report LTCR-SS-07-16 regarding the draft Five Year Capital Forecast for 2017 to 2021 for Long Term Care be received as presented and forwarded for inclusion in the corporate Five Year Capital Forecast for consideration by County Council.

Background

Attached is a summary of the Five Year Capital Forecast for 2017 to 2021 accompanied by detailed capital project forms for each of the proposed projects.

The proposed capital budget submissions are important as they set out proposed plans for future capital spending and attempt to provide sufficient information for Councillors to make informed decisions. The 2011 Building Condition Assessment and Reserve Fund Study was used in the development of the capital forecast. Costing for proposed projects has been adjusted to reflect needs and current market value for the products.

There are several items common to the three homes including: High-Low Beds and Computers. The beds are on a replacement cycle and support resident and staff safety. Computers are used by every department and follow a replacement schedule that is recommended by the Information Technology department.

As recommended in the 2011 Building Condition Assessment (BCA), sufficient annual reserve contributions need to be in place to ensure adequate funds are available for the replacement of building and equipment components in the future. An analysis of each of the homes' capital reserves has been completed and a detailed project sheet, included in the packages, outlines a plan for future transfers to reserves to address future funding requirements in order to avoid budgetary impacts.

Grey Gables

Grey Gables is approaching 17 years of age and there are several pressing capital requirements. New and revised projects for 2017 are highlighted below.

New for 2017

1. **Boiler Replacement:** an engineering consultant report was received in late 2014 related to the hot water heating system. The recommendations of the consultant include the replacement of one of the three boilers with a condensing boiler, at a projected cost of \$45,000. This project will save dollars on heating costs and give a needed back up for heating the home's domestic hot water.
2. **Security System:** This project proposes the purchase of security cameras to improve the safety of residents and staff related to unobserved falls and/or behaviours. Cameras are proposed for the front and back entrances on the exterior of the building. In the interior of the building two cameras are proposed for each home area - one camera in the long hall and one camera in the horseshoe. The images from the cameras will display on a monitor in the communication hub.
3. **Furniture and Equipment Replacement:** There is a need for ongoing upgrading and replacement of furniture and equipment within the home. In 2017 the focus of this project is the replacement of resident bedside tables. Replacement will help to ensure the home is meeting the Ministry of Health and Long Term Care regulation to ensure that resident furniture and equipment is in a state of good repair and meets the needs of the resident population.

Revised for 2017

The copper in the building has been noted to be deteriorating due to age, showing pitting and pin-holes and is causing increased labour costs to repair leaks and building services shut downs. The staff has reviewed previous consultation assessments and has developed a plan to begin the needed replacement of copper piping. This project requests the reallocation of \$10,000 previously approved for consultation to be used to initiate the project. Additional funds have been added to the project in 2017 forward to continue the work.

Lee Manor

The kitchen requires renovations and replacement of major equipment. In 2004 – 2005 some renovations were completed using most of the existing equipment and work stations. The flooring has worn in several places and the design of the kitchen does not allow for efficient workflow. In 2016 there are monies allocated to hire a consultant to review and maximize efficiencies within the space and assist with planning for the replacement of equipment, workstations and flooring.

The new project added to the 2017– 2021 capital budget is flooring replacement. The existing flooring in high traffic areas is showing signs of wear and tear. For example, seams are splitting and edges lifting. This poses a potential health and safety risk for residents and staff. The \$15,000 annually will allow for the replacement of small sections of flooring to ensure a safe environment. Areas include resident washrooms, lounges, tub rooms and kitchen serveries.

Rockwood Terrace

Three new projects have been added for 2017. They include:

1. Radiator Valve Replacement-The radiator valves have become corroded over time and it is becoming increasingly difficult to adjust the temperature in individual rooms. Replacement will allow for individual preference for room temperature, and eliminate the risk of the valves being stuck at a high temperature.
2. Home Enhancements-There are some furnishings in common areas that require replacement due to normal wear and tear, changing residents needs and to meet infection control requirements. Replacement will help to ensure the home is meeting the Ministry of Health and Long Term Care regulation to ensure that resident furniture and equipment is in a state of good repair and meets the needs of the resident population. Donation funds will be used to secure some of these items.
3. Ration Cook Centre-This unit would replace two steamers currently reaching the end of useful life. This cooking centre can be used as a steamer or oven which makes it very versatile. The home currently already has one of these units which was purchased in 2014.

There are a couple of projects that have been moved to a later year in the Capital Plan. Sprinklers for the first floor have been moved to 2021. The first floor was not completed at the time of the second and third floors as at that time renovations were being considered that would drastically affect the first floor. The thought at this time is to rebuild, so this project has been delayed. If the current building continues to operate as a long term care home, these sprinklers will need to be installed by 2025 to meet Fire Regulations.

Due to concern regarding the status of the balconies, the home asked for updated input from the Engineering Company of GM BluePlan Engineering Limited as they had completed a review of these balconies in 2011. These balconies are currently not allowed to be used, but there are small amounts of concrete that are delaminating from the balcony slabs and therefore it is a possibility that one of these pieces could strike a passerby below. Therefore, a portion of the capital money for this project is being used this year to cover the underside of these balconies with plywood to catch any falling debris, and the remaining work is being rescheduled for the year 2021.

A number of capital projects at Rockwood Terrace have been deferred for a few years in anticipation of re-building. As time progresses, the priority to proceed increases and a point has been reached where deferral cannot continue indefinitely. Upgrades will need to proceed to ensure a safe, comfortable environment for residents and staff and mitigate compliance risks from a Ministry of Health and Long Term Care and Public Health perspective.

For the purposes of this proposed Five Year Capital Forecast, the redevelopment of Rockwood Terrace has been shown in the year 2020. The cost of \$23,000,000 was determined using the consultant's most recent estimate of \$230,000 per bed.

Financial / Staffing / Legal / Information Technology

Considerations

The Building Condition Assessment and Reserve Fund Study, safety, legislation and normal life cycle replacement have all been considered in the development of the proposed five year capital budgets.

In the proposed net levy for 2017, an amount of \$1,361,010 has been shown as transferred to reserve for the potential redevelopment of Rockwood Terrace. This amount is the same amount as had been paid annually for the renovations at Lee Manor (separate debentures at \$746,690 annually (paid off in 2014) and \$614,320 annually (paid off in 2016)).

The proposed total net levy for 2017 is \$2,152,894, which requires a net levy increase of \$88,679, or a 4.30% increase from the 2016 approved capital budget. This \$88,679 would reflect a 0.017% increase to the corporate net levy requirement for 2017.

Link to Strategic Goals / Priorities

Communication is a key value in the County's Strategic Plan. The Five Year Long Term Care Capital Forecast provides information to Council in regard to the estimated future capital funding requirements.

Goal 1.6 of the Corporate Strategic Plan identifies the importance of accelerating Council's commitment to lifecycle planning for the long term investment of county owned capital assets.

Attachments

Attachment to LTCR-SS-07-16 Long Term Care Summary 2017-2021

Attachment to LTCR-SS-07-16 Grey Gables 2017-2021 Proposed Five Year Capital Forecast

Attachment to LTCR-SS-07-16 Lee Manor 2017-2021 Proposed Five Year Capital Forecast

Attachment to LTCR-SS-07-16 Rockwood Terrace 2017-2021 Proposed Five Year Capital Forecast

Respectfully submitted by,

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