

# Continuing Care Strategy



*Living well in a place you can call home.*

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## Long Term Care Facility Development Approval Process

New RCF Facilities – RFP 60137609

## Appendix E

Nova Scotia Department of Health

Draft Version  
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## **INTRODUCTION**

This document is a guide to Service Providers who are awarded contracts to construct new stand alone facilities through the Request for Proposal Process for new continuing care beds. It outlines the Facility Development Approval process and the submission requirements of the Department of Health.

Part 1 provides general information regarding the management of the project. Parts 2 and 3 describe the various steps of the approval process including the content details for the submissions to the Department.

## **PART 1 PROJECT IMPLEMENTATION**

### **1 Project Management**

1.1 Implementation of a multi-million dollar capital project  
Is a complex activity with very high risks requiring careful consideration and management. It is the responsibility of Service Providers to ensure that the necessary resources and management structures are in place that will result in a successful project outcome.

1.2 The Project Manager:

- a. shall be experienced and skilled with respect to construction;
- b. shall report to and take direction from the senior management team of the Service Provider;
- c. will be responsible for the development and control of:
  - i. project scope;
  - ii. budget;
  - iii. schedule;
  - iv. furnishings and equipment;
  - v. tendering and contract management;
  - vi. commissioning;
  - vii. occupation planning;
  - viii. property acquisition and disposal; and
  - ix. reporting to the Department;

- d. will utilize a team approach where all aspects of the Project are communicated, coordinated and expedited within the framework of the Project.

## **2 Risk Management Plan**

2.1 Maintaining control over the multiple risks inherent in a construction project requires careful planning to acknowledge the risks, identification of ways to mitigate those risks and ongoing management to ensure they are in check.

2.2 Risks facing Service Providers implementing a construction project include, but are not limited to:

- a. scope creep affecting cost and schedule;
- b. cost increases as a result of market conditions, unanticipated change orders and other factors;
- c. schedule delays;
- d. disputes and litigation by consultants, contractors or others;
- e. contractor failures (non-performance or bankruptcy); and
- f. strikes or walkouts.

2.3 The Service Provider is required, as part of a review, of the Project risks identified in Section 2.2, by the development team, to develop and present to the Department, a detailed risk management plan which identifies:

- a. the risks associated with the Project; and
- b. the mitigation strategies for each identified risk.

- 2.4 a. The Service Provider shall require any contractors or subcontractors with contracts in excess of one hundred thousand dollars (\$100,000) to provide performance

assurance in an amount equal to fifty percent (50%) of the contract amount.

- b. Performance Assurance may be in the form of:
  - (i) a performance bond and labour and materials payment bond;
  - (ii) a certified cheque;
  - (iii) a bank draft; or
  - (iv) an irrevocable standby letter of credit.

### **3 Project Cost Control**

3.1 Project costs are defined as the costs that can be clearly associated with the implementation of the Project, are appropriate to be capitalized and are incurred prior to acceptance of the building from the contractor.

3.2 Predicting and controlling project costs is fundamental to project management. Control of this substantial risk is the responsibility of the Service Provider through their designated Project Manager. Sufficient and knowledgeable resources must be put to this task.

3.3 Effective management of Project costs is a consequence of:

- a. estimating costs, initially and throughout the Project;
- b. setting reasonable contingencies and ongoing contingency management;
- c. controlling commitments;
- d. reallocating and/or reducing costs as needed to maintain the budget;
- e. knowing the status of costs at all times thus enabling wise decision-making.

3.4 The key to effective management of Project costs is an appropriate Project Accounting System that enables monthly cost tracking and reporting against the approved budget.

3.5 The Department's required formats for the Project Accounting System, as outlined in Appendix A are divided into three (3) categories:

a. the Facility Budget, a capital cost, which includes:

- (i) Capital Project – Budget Summary (B1)
- (ii) Capital Project Facility Budget/Checklist (B2) which includes
  - A. Pre-design,
  - B. Design,
  - C. Construction,
  - D. Project Management
  - E. Furnishing, and Equipment, and
  - F. Commissioning.

The reallocations of dollars across these headings is acceptable to enable management of costs.

- b. Property Budget (B3) – capital cost
- c. Start Up Budget (B4) – one time operating cost adjustment associated with the occupancy of the Facility.
- d. Capital Project – Budgeted Cash Flow (B5)

These formats establish a Project Budget and which must be reported against on a monthly basis. (These will be provided in MS Excel) The necessary back-end spread sheets on which cost details are maintained are not provided and must be created to feed information into the reporting formats.

#### **4 Reporting to Department of Health**

- a. Throughout the development of the replacement facility it is imperative that the Department is kept informed on the progress of the project and cost risks. To facilitate this communication the Department requires submission of a monthly:
  - (i) Capital Project Status Report – Appendix F – this Report is to provide commentary on current activity, issues, schedule and budget. The design team is required to provide a report using the template included in Appendix F1 to be attached to the Status report,

- (ii) Capital Project - Facility Summary Budget Report (R1) – Appendix A [see Step 4].
- (iii) Capital Project – Facility Budget Forecast Report (R2) – Appendix A [see Step 4].
- (iv) (After construction start) Lead Architectural, Lead Mechanical and Lead Electrical Designers' Report using Appendix F1 form.

The Submission of each report:

- (i) must state the current, anticipated occupancy date;
- (ii) is to be electronically filed, on the first Thursday of every month, from the date of project approval through to occupancy;
- (iii) is one of the prerequisites for receiving mortgage draws from the Housing Development Corporation.

b. The Service Provider will submit, in electronic form, a Capital Project, Quarterly Cash Flow Report (R3) - Appendix A, on the first Thursday of each 3 month period. This report will determine Project Cash Flow requirements. [see Step 4]

**FACILITY DEVELOPMENT APPROVAL PROCESS**

The following Figures 2.1 & 2.2 illustrate in graphic form, the facility development approval submission process. For each Step of the process except 8, which is self-explanatory, an explanation of the Objectives and Submission Requirements follows the figures. The beginning point in this process is the signing of the Agreement.

Figure 2.1

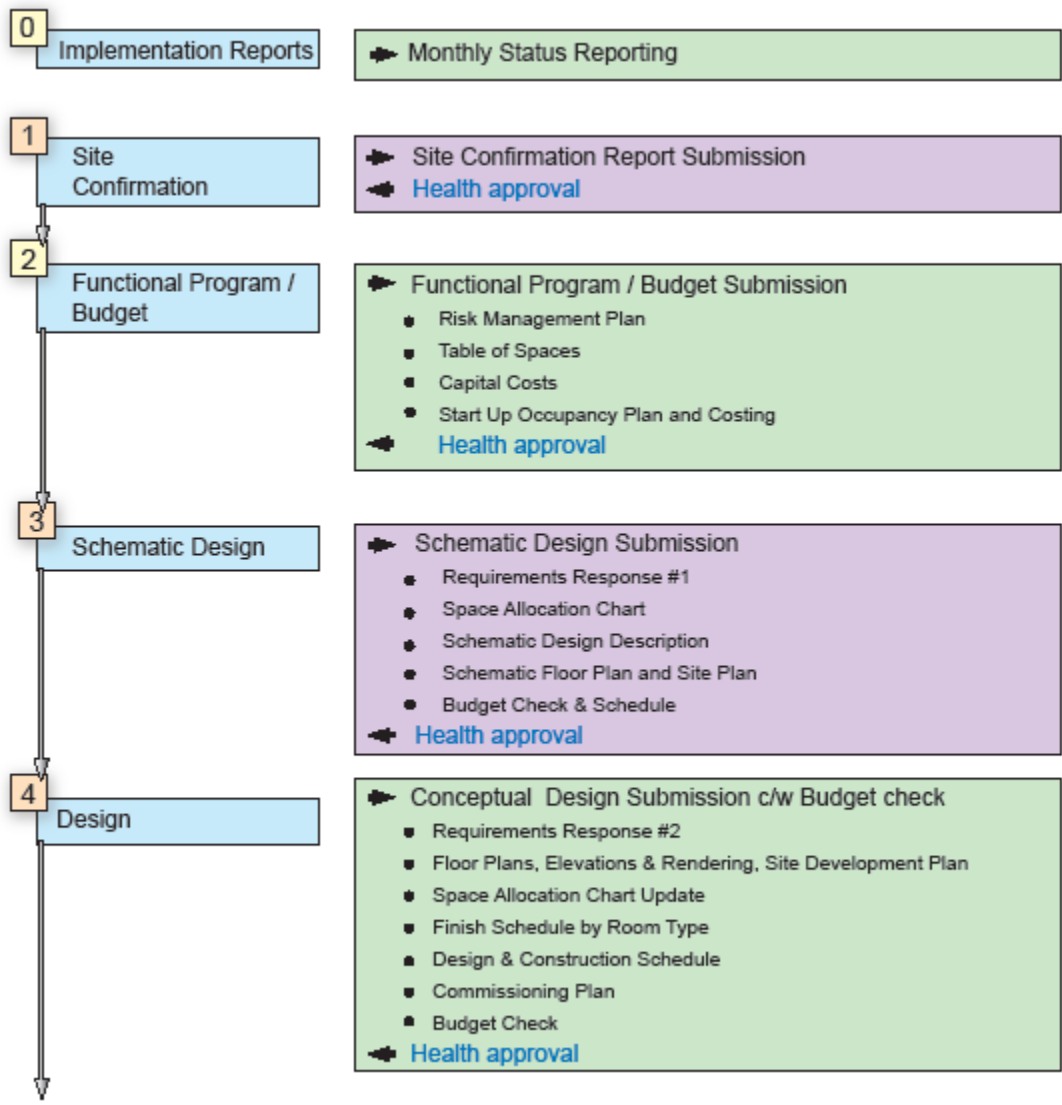
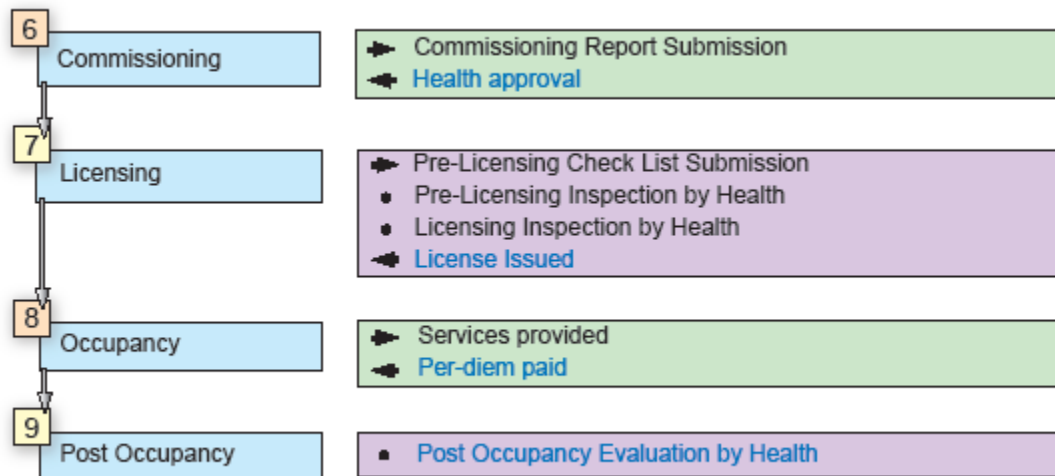


Figure 2.2



The materials which follow are explanatory and provide both the objectives of each submission and the minimum requirements for materials and information to be included.

To simplify the process it is required that each submission be under the cover of a transmittal form signed by the Service Provider with three review response options for signature by the Department of Health. A template of the form is provided as Appendix 'H'.

Where Department responses are “approved with comments” or “not approved”, comments or reasons for rejection will be provided in writing. Service Providers who move onto the next stage of the development process without previous submission approval do so at their own risk.

## Step 1

### Site Confirmation Process Report Submission

#### 1.1 Objectives

The purpose of this submission is to ensure that the intended site is within the designated community and meets the provisions of the Space and Design Requirements document.

#### 1.2 Submission Requirements

1. Provide rationale for the selection of the site.
2. Provide a description of the location, including commentary on size and proposed building footprint. Include a community context map or graphic indicating overall location within the community and relationship to services such as transit, health care facilities and other community resources, as well as long term care residences.
3. Provide confirmation of each of the two (2) Site Location Requirements.
4. Provide a graphic description of property size, configuration and approximate grades.
5. Provide a preliminary commentary with respect to Site Development Requirements document with a response to each of the fourteen (14) items.
6. Provide a description of the status of the property purchase and anticipated price. Describe the proposed scope of site development and estimated price. Provide the total developed site cost (purchase price plus estimated development cost).
7. Provide an appraisal of current market value carried out by an AACI (Accredited Appraiser Canadian Institute) or CRA (Canadian Residential Appraiser) as applicable. Explain rationale for and justification of any difference between appraised value and purchase price. The Department may refuse to approve a site unjustifiably exceeds the appraisal value
8. Provide commentary on any outstanding risks associated with site purchase and development.
9. Submission contents are to be delivered under the cover of Appendix 'H' "Submission Transmittal Form". Provide the Submission Step Name and Submission Step Number in the spaces provided.

## Step 2

### Functional Program/Budget Submission

#### 2.1 Objectives

The purpose of this submission is to ensure that the proposed facility meets the requirements of the Facility Space and Design Requirements.

#### 2.2 Submission Requirements:

##### 1. Risk Management Plan

1. Provide a Risk Management Plan as outlined in Part 1, Item 2.

##### 2. Function Program

1. Provide a functional program that meets the following requirements.
  1. Overall planning assumptions that act as guiding principles during the design phase that are consistent with the philosophy of care as outlined in both the Program and Space and Design Requirements documents; major operating policies and/or processes that influence staffing, location and design; functional relationships of key spaces within departments and/or services, as well as major space occupying equipment and specific design or environmental requirements.
  2. Identification of the function of and activity in every room type including a brief description of the use of the room, number of people in the room on average, special design consideration including heating, plumbing, ventilation, electrical and communications features, types and quantity of equipment and furnishings and technological requirements.
  3. For additions to existing facilities, detail those functions to be provided by the existing facility including any changes necessary to meet the Space and Design Requirements
  4. Net and gross areas are to be measured in accordance with CAN/CSA Z317.11.02 as noted in the Fundamentals Section of the Space and Design Requirements.

2. Provide, in a format of Appendix 'C' a Space Summary Table which outlines all the required spaces in/or associated with the facility.
3. Identify any facilities or functions which are contemplated to be provided in or adjacent to the proposed facility which are not within the realm of the Department Operating License.

**3. Capital Costs**

1. Provide a detailed project budget that includes project management, land, planning, design, construction, equipment, furnishings and soft costs in accordance with the Project Accounting System Appendix 'A'. Refer to Part 1 Item 3. (This will be identical to that provided with the RFP response on which the contract was awarded.)

**4. Furnishings and Equipment Procurement Plan**

1. Provide a plan for the procurement of furnishings and equipment in accordance with Part 3, Step 1.

**5. Start Up Occupancy Plan**

1. Provide an Occupancy Plan which outlines the procedures and schedule for the move of residents, staff and operation into the new facility.

6. Submission contents are to be delivered under the cover of Appendix 'H' "Submission Transmittal Form". Provide the Submission Step Name and Submission Step Number in the spaces provided.

## Step 3

### Schematic Design Submission

#### 3.1 Objectives

The purpose of this submission is to ensure that the intended facility design will meet the Space and Design Requirements and is within the space and cost parameters defined in **Step 3**.

#### 3.2 Submission Requirements

1. Complete the response template version of the Requirements Document. Provide a response to each Spatial Requirement indicating how the Schematic Design has responded to the issue or how it may respond as the design development process continues. Complete only Spatial Requirements sections as applicable to the subject facility. The template is provided in Appendix 'D';
2. Provide a Space Summary Table in a format prescribed in Appendix 'E' with comparison to approved Functional Program;. Explain variations from Functional Program;
3. Provide a description of the schematic design solution and rationale. The description is to include a discussion of the Resident House concept and general outline of exterior and interior scale and materials;
4. Provide a Schematic (single line) floor plans (min. 1:200 or 1/16=1'-0") with room type indications and adjacencies;
5. Provide a Schematic site plan indicating building location and orientation, access points, and services;
6. Provide a current Project Estimate using the Facility Budget Summary Report (R1), the Facility Budget Forecast Report (R2) and the Quarterly Cash Flow Report (R3), the templates for which are provided in Appendix 'A';
7. Provide a Milestone Schedule in graphic form (Gantt chart) through to occupancy.
8. Submission contents are to be delivered under the cover of Appendix 'H' "Submission Transmittal Form". Provide the

## Step 4

### Conceptual Design Submission

#### 4.1 Objectives

The purpose of this submission is to ensure that the facility design has met the Space and Design Requirements and is within the space and cost parameters defined in **Step 3**. The materials for this submission are to be in greater detail than **Step 4** and reflect the progress of Design Development.

#### 4.2 Submission Requirements

1. Complete the response template version of the Requirements Document. Provide a response to each Spatial Requirement confirming how the Conceptual Design has responded to the issue. Complete only Spatial Requirements sections as applicable to the subject facility. The template is provided in Appendix 'D'.

Provide a signed statement from the Project Manager and the Architect indicating that all conditions of the Space & Design Requirements document are being met except for previously approved deviations. Provide a summary of those deviations as well as any arising subsequent to Step 4 submission. Include a rationale for proposed deviations.

2. Provide a description of the design solution and rationale. The description is to include a discussion of how the design responds to the Resident House concept and the residential quality of facility scale, materials and detailing.
3. Provide floor plans (min. 1:200 or 1/16"=1'-0") with room type indications.
4. Provide a complete set of building elevations (min. 1:200 or 1/16"=1'-0") and a building section (min.1:100 or 1/8"=1'-0") with commentary on building envelope systems.
5. Provide an exterior rendering in color as the facility presents to the community.

6. Provide a site development plan, which indicates services (sewer, water, power), access, service area, parking for staff and visitors, service equipment, walkways and pedestrian hard surface areas, fences, gardens, type and extent of square feet landscaping;
7. Provide large scale plans (min. 1:50 or ¼"=1'-0") and perspective sketches in color of key areas showing furniture and significant equipment complete with clearances and dimensions. At a minimum provide the following spaces:
  - 7.1 Resident Bedroom (plan only)
  - 7.2 Resident Washroom/Bathroom (plan only)
  - 7.3 Bathing Suite (plan only)
  - 7.4 Resident Kitchen (plan & sketch)
  - 7.5 Resident Dining Room Area (plan & sketch)
  - 7.6 Resident Living Room Area (plan & sketch);
8. If changes have occurred subsequent to Step 4, provide a Space Summary Table in format prescribed in Appendix 'E' with comparison to approved Functional Program. Explain variations from Functional Program.
9. Provide a Finish Schedule by room type.
10. Provide a Milestone Schedule in graphic form (Gantt chart) through to occupancy.
11. Provide a current Project Estimate using the Facility Budget Summary Report (R1), the Facility Budget Forecast Report (R2) and the Quarterly Cash Report (R3) the templates for which are provided in Appendix 'A';
12. Provide a Commissioning Plan based upon CSA Z318.0-05 Commissioning of Health Care Facilities.
13. Submission contents are to be delivered under the cover of Appendix 'H' "Submission Transmittal Form". Provide the Submission Step Name and Submission Step Number in the spaces provided.

## **Step 5**

### **Commissioning Report Submission**

#### **5.1 Objectives**

The purpose of this submission is to ensure that the Commissioning Plan as set out by the requirements of **Step 4** has been successfully implemented.

#### **5.2 Submission Requirements**

1. Provide a report prepared by the Commissioning Agent which confirms that systems have been commissioned in accordance with the Commissioning Plan.
2. Submission contents are to be delivered under the cover of Appendix 'H' "Submission Transmittal Form". Provide the Submission Step Name and Submission Step Number in the spaces provided.

## **Step 6**

### **Pre-Licensing Check List Submission**

#### **6.1 Objectives**

The purpose of this submission is to ensure that the facility will be ready for licensing on the agreed date.

#### **6.2 Submission Requirements**

1. Provide all the documents on the checklist in Appendix 'G'. Use the checklist as an index for the submission contents. Submission must be made at least 4 weeks prior to the anticipated occupancy date.
2. The decision by the Department to schedule a Pre-Licensing Inspection will be based upon the adequacy of this submission. A written request for inspection, along with confirmation that issues raised during the review of the submission and the Pre-Licensing Inspection will trigger a Licensing Inspection by the Department. The License will be issued and occupancy initiated upon completion of action items resulting from the Pre-Licensing Inspection.
3. Documents are to be submitted in a 3-ring binder with Sections organized and tabbed in accordance with Appendix 'G'.

#### **6.3 Submission Contents**

1. Submission contents are to be delivered under the cover of Appendix 'H' "Submission Transmittal Form". Provide the Submission Step Name and Submission Step Number in the spaces provided.

## **Step 7**

### **Post Occupancy Evaluation by Department of Health**

#### **9.1 Objectives**

The Department of Health may choose after a full year of occupancy and delivery of program to carry out a post-occupancy inspection of the facility.

#### **9.2 Submission Requirements**

Post Occupancy Evaluations will involve completion of surveys and the participation of operating staff.

### PART 3

## DEVELOPMENT APPROVAL PROCESS FURNISHINGS & EQUIPMENT

The following Figure 3.1 illustrates, in graphic form, the submission process with respect to furnishings and equipment approval. Read in conjunction with the facility chart Figures 2.1 & 2.2. The first submission requirement occurs in **Step 3** and subsequently runs parallel to the facility process (Part 2).

**Figure 3.1**



**1. Objectives**

The purpose of these submissions is to ensure that a procurement plan and budget for Furniture and Equipment is in place and effectively implemented.

**2. Submission Requirements:**

**Step 1 Budget and Procurement Plan**

1. Provide a Furnishings and Equipment Budget, which is incorporated into the overall Capital Project Budget as required by the Facility Implementation Process in **Step 3**.
2. Provide a description of the methodology to be used to develop a list of furnishings, equipment and the procurement of same complete with a Milestone Schedule.

**Step 2 Itemized List and Estimate**

1. Provide a comprehensive list, as well as a summary sheet of furnishings and equipment, complete with an itemized estimate and confirmation that costs are within the Budget established in **Step 1**.
2. This submission must be made no later than two months following the start of construction.

**Step 3 Orders Placed**

1. Provide final detailed list with itemized confirmed prices, as well a summary sheet.
2. Provide confirmation of orders placed.
3. This submission must be made at least four months prior to the Construction Contractor's Substantial Performance date.

Submission contents are to be delivered under the cover of **Appendix 'H' "Submission Transmittal Form"**. Provide the Submission Step Name and Submission Step Number in the spaces provided.

## PROJECT ACCOUNTING SYSTEM

**The following documents are provided as template for cost control and reporting purposes. Samples in MS Excel format along with instructions for their use will be provided to Service Providers.**

- **Budget Summary B1**
- **Facility Budget/Checklist B2**
- **Property Budget B3**
- **Start Up Budget B4**
- **Budgeted Cash Flow B5**
- **Facility Budget Summary Report R1**
- **Facility Budget Forecast Report R2**
- **Property Budget Report R3**
- **Start Up Budget Report R4**
- **Quarterly Cash Flow Report R5**

SPACE SUMMARY TABLE

APPENDIX 'B'

PROJECT COSTS AND PER DIEM

<b>Appendix B is not applicable to RFP facilities</b>
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APPENDIX 'C'

SPACE SUMMARY TABLE

ID NO.	ROOM NAME	CODE	Room Area NSF	No. of Rooms	Total Area NSF
<b>RS-01</b>	<b>LTC Resident House (partial program)</b>				
RS-01.01	Single resident bedroom	S,W	190	11	2,090
RS-01.02	Resident washroom	W	50	12	600
RS-01.03	Double bedroom		360	1	360
RS-01.04	Activity / dining room (16 people)	W	560	1	560
RS-01.05	Kitchen	W	150	1	150
RS-01.06	Living room (13 people)	W	390	1	390
RS-01.07	Equipment alcove		30	1	30
RS-01.08	Linen closet		20	1	20
RS-01.09	Soiled closet		25	1	25
RS-01.10	Assisted tub room	S,W	150	1	150
RS-01.11	Assisted shower room	W	100	1	100
RS-01.12	Assisted tub/shower washroom	W	50	1	50
RS-01.13	Visitors coat closet		10	1	<u>10</u>
			Total NSF		4,535
			<b>Net-to-gross conversion</b>		<b><u>1.50</u></b>
			Total DGSF		6,803

**NSF - Net Square Feet**

**DGSF - Departmental Gross Square Feet**

**W - Wheelchair Accessible**  
**S - Stretcher Accessible**