

AGING & LONG TERM CARE COMMITTEE

Monday, October 11, 2010
Administrative Center – Room 3220
10:15 a.m.

MEMBERS PRESENT: Roger Plesha, Dan Ferries, Audrey Kader (exc. 11:36), Monica Kruse, John Medinger (exc. 11:30), Jerry Sebranek

MEMBERS EXCUSED: Tara Johnson, Andrea Richmond

MEMBERS ABSENT: None

STAFF & GUESTS: Pete Eide, Noreen Holmes, Wanda Plachecki, Kelly Kramer, Margaret Norden, Steve O'Malley, Gary Ingvalson, Mary Powell, Jim Speropulos, Ray Ebert, Bryan Jostad, David Tauscher

ROLL CALL/CALL TO ORDER

Chair Roger Plesha called the meeting to order at 10:15 a.m.

APPROVE MINUTES OF SEPTEMBER 13, 2010

CONSENT AGENDA

MOTION by Sebranek/Kader to approve the minutes of September 13, 2010, and to receive and file the following Consent Agenda item:

- a. *Ripples & Waves* (the newsletter was noted on the agenda, but was not available for the meeting)
- b. Carroll Heights newsletter (the newsletter was distributed at the meeting, but was not listed on the agenda)

Motion carried unanimously. Johnson, Richmond excused.

PUBLIC COMMENT

Supervisor Ebert commented that the meeting agenda had not been posted on the county website.

CONFERENCE/MEETING REPORT

Audrey attended a joint City/County program on servant leadership.

MEDICARE PART D PLAN REVIEW

Tina Johnson gave an overview of the 2011 changes in Medicare Part D plans. There are between 29-32 plans that will be available in Wisconsin. There was a drop in plans offered due to some companies combining plans to make the options less confusing. There will be four companies offering 14 Medicare Advantage plans. The Advantage plans have a lower monthly fee, but do have a co-pay with each doctor visit. A switch to a traditional plan can be made at this time until the end of the year. The Aging Unit provides assistance with selecting a plan, and works with the Aging and Disability Resource Center, nursing homes, and Western Wisconsin Cares staff to provide information to clients. There are several local pharmacies, including Walgreen's, KMart, and Cass Street Pharmacy, that provide assistance, and also a network of insurance agencies that will help Medicare recipients compare plans. The website Medicare.gov has information. Discussion was held about misinformation that has been disseminated in election campaign advertising regarding Medicare cuts.

CONSIDERATION OF BIDS RECEIVED FOR ASSISTED LIVING FACILITY

Steve O'Malley reported that the County Board approved of the project and soliciting bids for the Hillview/Carroll Heights residential care apartment complex (RCAC). The bottom three bids were within 1.6% of each other. He reported that there will be a recommendation to use outside bonding authority, rather than borrowing from the general fund. With historically low interest rates, it would save approximately \$25,000 per year in debt service. Bryan Jostad reviewed bids as follows:

Bidder	Base Bid	Alternates	TOTAL
Wieser Bros., General Contractor, Inc.	\$2,763,835	\$24,960	\$2,788,795
Olympic Builders General Contractor, Inc.	\$2,793,045	\$30,700	\$2,823,745
Krupp General Contractors, LLC	\$2,799,900	\$32,733	\$2,832,633
Encore Construction, Inc.	\$3,061,000	\$20,990	\$3,081,990

Six alternatives were included in the bid, but could have been cut if the bids had come in over-budget. The alternates included bathroom heater, kitchen and common dining room flooring choices, individual kitchenette flooring, lobby fireplace surround, and window trim color choices.

REVIEW OF ASSISTED LIVING OPERATING AND PROJECT BUDGET

A handout of projected financial performance for Hillview/Carroll Heights Assisted Living was provided. Total estimated revenue was given as follows:

Year 1	Year 2	Year 3	Year 4
\$757,934	\$912,573	\$936,841	\$960,116

Steve O'Malley explained that they anticipated 75% occupancy in the first year. They anticipated that private pay residents would account for 80% of revenue, and Medicaid for 20%.

Total estimated expense, including staff salary and fringe, maintenance, supplies, and utilities, was given as follows:

Year 1	Year 2	Year 3	Year 4
\$791,594	\$895,179	\$928,024	\$956,638

The total projected development budget and bid costs were given as follows:

	Project Budget	Bid Costs
Direct Development Costs (includes building construction, site work, furniture, miscellaneous, and contingency)	\$3,219,497	\$3,217,567
Indirect Development Costs (includes architecture and engineering)*	\$200,724	\$160,728

*Phase 1 architecture and engineering costs for plan development were paid out of the Hillview Capital Improvement Budget, and would have been paid even if the project did not go forward, so were not included in the total project budget.

O'Malley reported contingency was calculated at 5% because it is new construction, and would have been higher if remodeling was involved.

RESOLUTION RE: ACCEPTANCE AND AWARD OF BIDS FOR A RESIDENTIAL CARE APARTMENT COMPLEX (RCAC) FOR HILLVIEW CARE CENTER/CARROLL HEIGHTS, AND AUTHORIZING DEBT

The Resolution states that the concept of a residential care apartment complex (RCAC) was approved by the County Board on March 8, 2010. It authorizes proceeding with construction and awards the construction bid to Wieser Bros., General Contractors, Inc., at a cost of \$2,788,795. It authorizes a bond process of \$2,496,300. Supervisor Ebert questioned the calculations for staffing costs, and he will meet with Finance staff to go through calculations. **MOTION** by Kader/Kruse to approve the Resolution Re: Acceptance and Award of Bids for a Residential Care Apartment Complex (RCAC) for Hillview Care Center/Carroll Heights, and Authorizing Debt. **Motion carried 5-1.** Johnson, Richmond excused; Ferries opposed.

2011 BUDGET REVIEW FOR DEPARTMENTS THAT REPORT TO THIS COMMITTEE, INCLUDING UPDATE ON DARRELL S. LARSON ESTATE

Due to time constraints, Steve O'Malley briefly reviewed department budgets. There will be further review at the committee's November 1, 2010, meeting. The biggest impact across the board will be if bargaining units take no increase.

- Veterans: A decrease in levy is associated with single vs. family health insurance coverage
- Carroll Heights: Capital expenses went down significantly. There is no direct levy.
- Hillview: Indirect costs increased.
- Lakeview: The inefficiency of the physical facility was discussed. There was an increase in MVHS charges per day, which partner counties have agreed to.
- Aging: With the approval of the Darrell S. Larson Estate representative, those funds can be used when needed for operating expenses. The Aging Unit used 10% of the funds in 2010, and budgeted less than 13% for use in 2011. The biggest issue is controlling meal site costs.

ITEMS FOR FUTURE AGENDAS

2011 budget, including Larson Estate

NEXT COMMITTEE MEETING: NOVEMBER 1, 2010

ADJOURNMENT

MOTION by Sebranek/Kruse to adjourn. **Motion carried unanimously.** Johnson, Kader, Medinger, Richmond excused. The meeting adjourned at 11:35 a.m.

Approved, November 1, 2010, Margaret Norden, Recorder