

Cost Space Requirements

Hoopeston Community Memorial Nursing Home proposes to relocate from its existing facility at 701 East Orange Street, Hoopeston, Illinois to a replacement location at the corner of Route 1 and Thompson Road in Hoopeston Illinois.

The existing nursing home facility will be demolished approximately 12 months after discontinuation and establishment of the nursing home in the replacement facility. The vacated building space will not be used after the nursing home relocates to the new facility.

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
General Long-Term Care	\$3,053,023		18,213 BGSF	18,213 BGSF			
Total Clinical	\$3,053,023		18,213 BGSF	18,213 BGSF			
NON REVIEWABLE							
Administrative	\$318,600		1,641 BGSF	1,641 BGSF			
Dining	\$609,812		3,004 BGSF	3,004 BGSF			
Kitchen	\$519,870		1,677 BGSF	1,677 BGSF			
Mechanical	\$882,470		3,043 BGSF	3,043 BGSF			
Storage	\$92,400		1,050 BGSF	1,050 BGSF			
Circulation	\$733,968		8,419 BGSF	8,419 BGSF			
Total Non-clinical	\$3,157,122		18,834 BGSF	18,834 BGSF			
TOTAL	\$6,210,145		37,047 BGSF	37,047 BGSF			

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Reasonableness of Project and Related Costs

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The proposed project is the discontinuation of the existing Hoopston Community Memorial Nursing Home facility and the establishment of a replacement facility.

OCT 25 2010

The clinical departments or areas impacted by the proposed project and a cost and square footage allocation are identified in the Cost and Gross Square Feet by Department or Service table below.

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Cost and Gross Square Feet by Department or Service									
Department	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost / Square Foot		Gross Sq Ft		Gross Sq Ft		Const \$	Mod \$	
	New	Mod	New	Circ*	Mod	Circ*	(A x C)	(B x E)	
General Long-Term Care	\$132.78 (mean unit rounded to two decimal places)	N/A	37,047 BGSF	~22.7% (8,419 BGSF)	N/A	N/A	\$4,918,960	N/A	\$4,918,960
Contingency	8.9% (mean unit rounded to one decimal places)	N/A					\$435,800		\$435,800
TOTALS	\$144.54 (mean unit rounded to two decimal places)								\$5,354,760

*Include the percentage (%) of space for circulation

The following is documentation that the estimated project costs are reasonable and in compliance with the state standards, as defined in Section 1120.140 (c) of the Administrative Code.

1. There are no pre-planning costs associated with the proposed project, therefore this item is not applicable.
2. Total costs for site survey, soil investigation fees and site preparation total 0.1% of project funds. The proposed project is therefore compliant with the state standard of 5%.

Reasonableness of Project and Related Costs

3. New construction costs are \$132.78 per square foot. This is below the R.S. Means adjusted third quartile cost of \$170.47 per square foot identified in the state standard. There are no modernization costs associated with the project. The proposed project is therefore compliant with the state standard.
4. Contingencies are 8.9% of construction costs. This exceeds the state standard of 3-5% for a project in the final drawing stage of architectural development. The proposed project is therefore not compliant with the state standard.

Section 01 21 16.50 Contingencies of R.S. Means Building Construction Cost Data is cited as a reference in determining contingency guidelines. Means provides various adjustment factors for estimators to consider and suggests adding a contingency that is "...usually 3% to 5%". Unpredictable factors exist beyond this convention, and in recognition, Means adds that an estimator "...will have to apply a measure of judgment to your estimate".

The Building Construction Cost Data is one volume in the R.S. Means series of cost estimating guides. A companion source, R.S. Means Facilities Construction Cost Data, provides information identical to the Building Construction Cost Data guide except in greater detail. Provisions in Section 01 21 16.50 of the Facilities Cost Data however state a contingency of 8% at Final Drawing Stage.

Review Standards also identify the Capital Development Board as a source of fee and cost calculating references; the agency's Project Cost estimating form requires a construction contingency of 10%.

Based on these established references, the applicant believes that the construction contingency is reasonable and provides a financially responsible margin of safety.

5. Architectural/engineering fees are 5.6%, which is below the state standard for a project of this cost range. The proposed project is therefore compliant with the state standard.
6. The state standard for Capital Equipment Not Included in Construction Contracts is \$6,491 per bed for Long Term Care projects. The Hoopston Community Memorial Nursing Home has 75 long term care beds. No beds are being added or removed from the nursing home. The project cost is \$6,058 per bed, which meets the state standard. The proposed project is therefore compliant with the state standard.
7. The proposed project does not include building acquisition expense, net interest expense, fair market value of leased space or equipment. Therefore this item is not applicable.
8. Cost Complexity Index is to be applied to hospitals only, and is therefore not applicable to the proposed project.