

ARNPRIOR REGIONAL HEALTH
Meeting of the Board of Directors
August 18, 2023
Minutes

PRESENT: Oliver Jacob, Meeting Chair, Rick Holock, Cathy Jordan, Curtis McGrath, Beth Ciavaglia, Colleen MacPhee, Jenny Buckley

STAFF: Leah Levesque, Dr. Florin Padeanu, Janice Dunn, Jeff Letourneau, Raeline McGrath

REGRETS: Robin Sully, Borys Koba, Pete Kenny

RECORDER: Christine Waite

1.0 CALL TO ORDER

The meeting was called to order at 12:01 pm.

2.0 LAND ACKNOWLEDGEMENT

Land acknowledgement statement was read by Oliver Jacob.

3.0 APPROVAL OF AGENDA

MOTION #1

Moved by: Colleen MacPhee

Seconded by: Rick Holock

Be it resolved that the Board of Directors accept the agenda of August 18, 2023, as presented.

Motion was carried.

4.0 DECLARATION OF CONFLICT OF INTEREST

Members were asked to declare any conflict of interest. No members in attendance declared a conflict. Oliver Jacob informed the membership Pete Kenny had declared a conflict of interest, due to his employment relationship and recused himself from attending this meeting.

5.0 RECOMMENDATION TO MOVE IN-CAMERA

MOTION #2

Moved by: Jenny Buckley

Seconded by: Curtis McGrath

That the board of directors move In-Camera.

Motion Carried

6.0 ITEMS FOR DISCUSSION & DECISION

6.1 GROVE EXPANSION: BRIEFING NOTE

The briefing note was circulated in the meeting package.

Jeff Letourneau provided an update on the overall project and the requirements needed by the Ministry for Approval to Construct Application,

The updated construction cost estimate provided was \$28.9M. This represents a 60% increase over the Class B Cost Estimate of \$18-19M, completed in October 2022.

Staff were in contact with the Ministry of Long-Term Care (MLTC) prior to the August 11th submission deadline to discuss the outcome of the tender results. ARH was advised to submit all components of

the Approval to Construct application (except the Initial Estimate of Cost form) and was given an extension to August 18, 2023 for the IEC form submission.

Working with the Construction Manager and the Architectural firm, \$4.4M in reductions and de-scoping, was completed, reducing construction costs to \$24.5M.

Staff have confirmed no further opportunities for savings exist.

In addition to the \$23M IEC, there would be \$3M in soft costs, for a total project cost of \$26M.

Leah Levesque reached out to the CEO of M. Sullivan and Son Limited who advised that the pre-construction fee of \$79k will be waived if the project does not proceed.

Additionally, Leah Levesque contacted local MPP John Yakabuski to discuss the viability of the project.

Staff were thanked for their extensive work with the Construction Manager and G-Architects to try to bring costs back in line with the indicative budget, despite not achieving the desired cost savings.

Cathy Jordan left the meeting.

MOTION #3

Moved by: Jenny Buckley

Seconded by: Rick Holock

Be it resolved that, at the present time, the Grove Expansion project is not financially viable for Arnprior Regional Health and therefore, the Board of Directors recommend withdrawal of the application at this time.

Motion Carried.

All in favour.

As a result of the Board's resolution, ARH will not submit the IEC form to complete the application for approval to construct. Subject to further evaluation by the President and CEO with legal counsel, ARH will issue a termination notice to the Construction Manager, M. Sullivan & Son Limited.

Staff will also develop both an internal and an external communication strategy and bring more information to the Board and its committees regarding next steps moving forward.

7.0 NEXT MEETING:

September 21, 2023

8.0 ADJOURNMENT

The business of the meeting completed, Oliver Jacob, Meeting Chair, adjourned the meeting at 12:42pm.

Leah Levesque, Secretary

Oliver Jacob, Vice-Chair