

THE COMMONWEALTH OF MASSACHUSETTS EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES DEPARTMENT OF VETERANS' SERVICES 600 WASHINGTON STREET, 7TH FLOOR BOSTON, MA 02111 TEL: (617) 210-5480 FAX: (617) 210-5755 TTY: (617) 210-5883 WWW.MASS.GOV/VETERANS

CHARLES D. BAKER Governor

KARYN E. POLITO Lieutenant Governor MARYLOU SUDDERS Secretary, EOHHS

CHERYL LUSSIER POPPE Secretary, DVS

December 30, 2022

Chair Aaron Michlewitz House Committee on Ways and Means State House, Room 243 Boston, MA 02133

Chair Paul McMurtry Joint Committee on Veterans and Federal Affairs State House, Room 238 Boston, MA 02133

Steven T. James House Clerk State House Room 145 Boston, MA 02133 Chair Michael J. Rodrigues Senate Committee on Ways and Means State House, Room 212 Boston, MA 02133

Chair John C. Velis Joint Committee on Veterans and Federal Affairs State House, Room 519 Boston, MA 02133

Michael D. Hurley Senate Clerk State House Room 335 Boston, MA 02133

Dear Chairs Michlewitz, Rodrigues, McMurtry and Velis, and Clerks James and Hurley:

Section 4 of Chapter 15 of the Acts of 2021, An Act financing the reconstruction of the soldiers' home in Holyoke, requires the Department of Veterans' Services to file a report on the construction of the replacement long term care facility for the Soldiers' Home in Holyoke.

Annually, not later than December 31, and until the completion of the new facility for the Soldiers' Home in Holyoke, the department of veterans' services, in consultation with the division of capital asset management and maintenance, shall file a report on the construction of the new facility. The report shall include, but not be limited to: (i) a brief, current description of the project and any substantial changes in the description of the project during the previous year; (ii) the state of progress of the project; (iii) a summary of the total and major costs of the project as originally estimated and as currently expended or currently estimated to be expended; (iv) the original project schedule and the current and estimated schedule and progress of the project; and (v) identification of the designers and contractors who have contracted to provide materials or services for the new facility, including how the designers and contractors meet any applicable participation goals for minority and women workers. The report shall be filed with the clerks of the senate and house of representatives, the joint committee on veterans and federal affairs and the house and senate committees on ways and means.

For calendar year 2022:

- (i) A brief, current description of the project and any substantial changes in the description of the project during the previous year:
 - The new facility is designed utilizing the VA's small house model. Each resident floor of the proposed new building is designed with 2 to 3 "homes" per floor, typically with 12 beds per home, accommodating a maximum of 36 Veterans per floor.
 - Most rooms are single occupancy with private baths, but two rooms on each floor are larger than a standard room so that they can function as a double, a couple's room, or a bariatric room.
 - The second floor of the facility is specifically designed for dementia, (memory) care.
 - The first floor and basement will provide both resident services and support facilities, including community room, hobby room, chapel, café, store, dental clinic, hair salon, and PT/OT facilities. Several outdoor garden spaces and activities, including a greenhouse and an open-air pavilion.
 - Overall project specifications
 - 348,000 square feet facility.
 - 8 stories tall.
 - 234 long term care beds. 30 of which are designed for memory care.
 - There will be an Adult Day Health space that can serve 40 50 participants per day, with approximately 5,600 gross square feet, will have its own drop off/pickup area.
 - When completed, the project will reduce consumption of energy resources by 90%. Operating costs will be reduced and carbon emissions will be reduced by 1,000 tons annually.
- (ii) The state of progress of the project:
 - Construction Manager Selection: Commodore | Walsh (joint venture) (Commodore is a Veteran owned business)
 - Preparatory Work: While awaiting VA funding, SHH, the design team, and DCAMM worked closely with the City of Holyoke on a number of preparatory items. This work includes reviewing gas, electric and water services as they pertain to the project.
 - Early Package: An early package of enabling work for the temporary chiller was bid in the summer of 2022, that work has begun and is expected to continue through the spring of 2023. The Commonwealth authorized this first phase work enabling critical path progress while awaiting conditional award of funds under VASHCG.
 - VA Funding: At the end of September 2022, the Commonwealth of Massachusetts
 received approval of its request for conditional funding from the U.S. Department of
 Veterans Affairs for federal assistance toward the cost of a new Soldiers' Home in
 Holyoke. This award includes \$160 million in Fiscal Year 2022 (FY22) funding, with the
 expectation that the Home will receive full funding of federal share for the remainder of
 the project in subsequent fiscal years. The Commonwealth was invited to pursue the
 conditional award in August 2022. The Commonwealth will request additional federal
 funding in future years for this project.

- Project Labor Agreement: An agreement in principle was reached on October 19, 2022, after over 30 negotiating sessions held over 10 months. The Project Labor Agreement is now with the Pioneer Valley Building Trades Council and MA Building Trades Council for ratification.
- Contractor Prequalification: DCAMM, Commodore | Walsh, construction managers, and Payette Architects, Inc. concluded review of prequalifying submittals by subcontractors interested in bidding on construction of the new Holyoke Soldiers' Home. The Commonwealth is following VA recommendations to move forward with solicitation of bids from qualified subcontractors for the construction of the new Soldiers' Home of Holyoke as required by Massachusetts General Law, Chapter 149A.
- (iii) A summary of the total and major costs of the project as originally estimated and as currently expended or currently estimated to be expended:
 - Project Cost: \$368,486,000 (application package estimates the total allowable project cost which is total cost of \$375.5M less adult day health costs and preliminary study costs totaling \$7.01M).
 - The Commonwealth has met the VA State Home Construction Grant Program's application deadlines over the past year for 65% federal reimbursement & continues to work to meet the grant program's design deadlines. The grant program follows federal rules, including compliance with the Build America Buy America Act (BABAA), which the Commonwealth is in conversations with federal partners regarding compliance and feasibility.
- (iv) The original project schedule and the current and estimated schedule and progress of the project:
 - Overall Anticipated Project Schedule (timeline subject pending VA grant approvals)
 - Main Package Construction starts: Late Spring/Summer 2023
 - New Building Complete/Occupancy: 2026 Q4
 - Existing building demolished and site restoration complete: Summer 2028
 - <u>Historical Timeline:</u>
 - August 17, 2020 Architecture firm Payette chosen to lead rapid planning phase on August 17.
 - February 11, 2021 Governor Baker files \$400 Million Bond Bill for Capital Project to Rebuild Soldiers' Home in Holyoke.
 - April 8, 2021 submitted VA State Home Grant Application Package.
 - May 25, 2021 Governor Baker signs \$400 Million Bond Bill approved by the legislature
 - August 1, 2021 Commonwealth submitted the design documents and certification of funds to the VA for the 8/1 deadline to be considered for the FY 2022 State Home Construction Grant program.
 - January 2022 Architect and construction manager have completed 80% of construction design documents.
 - September 30, 2022 Commonwealth received conditional grant award letter for partial funding from VA (approx. 164M), starting 180 day clock to meet remaining federal requirements.

- December 2022 Bid Docs completed in preparation for Subcontractor Bidding
- Identification of the designers and contractors who have contracted to provide materials or services for the new facility, including how the designers and contractors meet any applicable participation goals for minority and women workers:
 - Construction Manager Selection: Commodore | Walsh (joint venture). Commodore is a Veteran owned business.
 - Temporary Chiller Package Results: <u>https://www.mass.gov/files/documents/2022/10/24/AIDC%20%20Early%20Package%2</u> <u>OResults%20Main%20Package%20Info%2010-21-22.pdf</u>
 - In addition, the Access Inclusion and Diversity (AID) Committee continues to meet on a monthly basis and has begun a productive dialogue.
 - i. All approved meeting minutes, presentations and video recordings of the meetings are on the Committee's website: <u>https://www.mass.gov/service-details/holyoke-soldiers-home-reconstruction-access-inclusion-diversity-committee</u>

Thank you for your continued support of the Soldiers' Home in Holyoke. If you have any questions about this report, please feel free to contact Brooke Leahy, at <u>Brooke.Leahy@mass.gov</u>

Sincerely,

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Cheryl Lussier Poppe Secretary Massachusetts Department of Veterans' Services

CC:

Commissioner Carol Gladstone, Division of Capital Asset Management and Maintenance