

MEMORANDUM

TO: Donna Jerry, Senior Health Policy Analyst, Green Mountain Care Board

FROM: Emily Hawes, Commissioner, Department of Mental Health

DATE: March 7, 2022

RE: Docket No. GMCB-002-21 con, Construction of Secure Residential Treatment Program for Individuals Requiring Residential Treatment Program Services for Mental Health Conditions. Project Cost: \$21,900,521.

Thank you for your question dated February 28, 2022. Below please find our response.

Question:

Please provide a detailed explanation for the increase in the Site Work line item from \$1,755,746 to \$2,348,427 reflected in the spreadsheet you submitted on February 14, 2022.

Response:

The estimate at the completion of the design development (DD) phase reported the sitework line item at \$1,755,746.00. The Guaranteed Maximum Price (GMP) reported the sitework line item at \$2,348,427.00. The sitework line item increased \$592,681 or 25.24% from the end of the design development phase to the GMP.

At that time of the DD estimate the state was negotiating a private partnership to capture the energy saving of geothermal while offsetting the high upfront cost. The DD estimate included a reduced geothermal scope. Final numbers for the private partnership did not prove to be a long-term cost benefit for the state, and therefore the majority of the increase reflects the full cost of the geothermal system being carried in the project. The cost of the geothermal system is broken out as \$699,617 in the GMP.

Cost changes that cannot be individually quantified include increases for winter conditions, resulting from the start date being pushed from July 2020 to October 2020. The project also incurred increases, between 8% and 20%, across all categories due to the inflation and shortages of materials, and labor shortages.



Verification Under Oath

**STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD**

In re: Responses to questions posed)
 via email dated February 28, 2022)
 From the Green Mountain)
 Care Board)

Docket No. GMCB-002-21con

Verification Under Oath to File with the Request for Material Change to Approved CON Application.

Emily Hawes, being duly sworn, states on oath as follows:

1. My name is Emily Hawes. I am the Commissioner of the Department of Mental Health. I have reviewed the answer to the question posed by the Green Mountain Care Board on February 28, 2022.
2. Based on my personal knowledge and after diligent inquiry, I attest that the information contained in the answer to the question posed by the Green Mountain Care Board on February 28, 2022, is true, accurate and complete, and does not contain any untrue statement of material fact and does not omit to state a material fact.
3. My personal knowledge of the trust, accuracy and completeness of the information contained in the answer to the question posed by the Green Mountain Care Board on February 28, 2022, is based upon either my actual knowledge of the subject information or upon information reasonably believed by me to be true and reliable and provided to me by the individuals identified below in paragraph 4
4. The following individuals have provided information or documents to me in connection with the answer to the question posed by the Green Mountain Care Board on February 28, 2022 and each individual has certified, based either upon their actual knowledge on the subject information or, where specifically identified in such certification, based on information reasonably believed by them to be reliable, that the information or documents provided are true, accurate and complete, do not contain any untrue statement of material fact, and do not omit to state a material fact:

Karen Godnick Barber, General Counsel, Department of Mental Health
Tabrena Karish, Project Manager, Department of Buildings and General Services

5. In the event that the information contained in the answer to the question posed by the Green Mountain Care Board on February 28, 2022 becomes untrue, inaccurate or incomplete in any material respect, I acknowledge my obligation to notify the Green Mountain Care Board and to supplement the certificate of need application to build a physically secure residential care facility as soon as I know, or reasonable should know, that information or document has become untrue, inaccurate or incomplete in any material respect.



Emily Hawes

Emily Hawes, Commissioner, Department of Mental Health

On 3/7/2022, Emily Hawes appeared before me and swore the truth, accuracy and completeness of the foregoing.

[Signature]

✱ 157.0000781

Notary Public

My commission expires 1/31/23

