

FY 2011-12 Supplemental Capital Construction Request

Human Services

Building Renovations, Rifle State Veterans Nursing Home

Motion: Approve the supplemental request from the Department of Human Services, Division of State And Veterans Nursing Homes, for \$358,400 in additional cash and federal funds spending authority for the project.

GENERAL INFORMATION

2009-062

1. Which supplemental criterion does the request meet?

Other

A federal grant has been awarded to the project and additional cash and federal funds spending authority is needed to reflect the full amount of the federal grant and to meet the state's matching funds commitment. According to the department, the receipt of grant funds is imminent.

2. Which projects will be restricted to fund the supplemental request?

No emergency restriction is required because the project does not involve any state funds.

3. Has the request been approved by OSPB and CCHE?

Yes

PRIOR APPROPRIATION AND SUPPLEMENTAL REQUEST INFORMATION

The appropriation to be amended was authorized in the following bill: SB 11-0209

<u>Fund Source</u>	<u>Prior Appropriations</u>	<u>Supplemental Request</u>	<u>Future Requests</u>	<u>Total Cost</u>
CF	\$398,000	\$125,390	\$0	\$523,390
FF	\$739,000	\$233,010	\$0	\$972,010
	\$1,137,000	\$358,400	\$0	\$1,495,400

REASON FOR SUPPLEMENTAL REQUEST

This supplemental request addresses additional site improvements and various cost increases. The additional site improvements are needed to address updated code requirements, current operational standards, and issues identified during a 2010 life-safety survey. Specifically, this supplemental request includes the following:

- expanded resident courtyards and outdoor activity areas;
- installation of emergency, lighted egress walkways as required by the federal Center for Medicare and Medicaid Services;
- increased costs associated with fire alarm system upgrades;
- repairs and improvements to the laundry and loading dock;
- increased architectural and engineering fees;
- increased code and inspection fees; and
- increased equipment costs for food service and bathing equipment.

The department notes that some cost increases have been offset by a \$50,000 decrease in the projected cost of new furnishings.

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SUMMARY OF PROJECT

The project renovates the Rifle State Veterans Nursing Home to raise the level of care for residents afflicted with Alzheimer's Disease and other forms of dementia. The project upgrades the Special Care Unit, direct care/support areas, and life-safety systems in order to meet current standards of health care. The Rifle campus is presently the only veterans skilled nursing home on Colorado's western slope, and has undergone no significant renovations since its original construction in 1987.

Source of cash funds. The source of cash funds is operating dollars and federal funds from the U.S. Department of Veterans Affairs State Homes Construction Grant program, which funds 65 percent of the total project cost. The terms of the grant contract require a 35 percent commitment of state matching funds, and an agreement by the state agency to operate the facility as a state veterans nursing home, in accordance with federal Veteran's Administration (VA) standards, for the next 20 years. The Rifle State Veterans Nursing Home accrues operating revenue from patient revenues and grants, including VA per diem.

QUESTIONS / OUTSTANDING ISSUES

None.