

(\$ in thousands)

Project Title	Priority Ranking	Funding Source	Project Requests for State Funds		
			2022	2024	2026
New Veterans Home Construction Cost Increase	1	GO	\$ 7,000	\$ 0	\$ 0
Asset Preservation	2	GO	\$ 13,809	\$ 13,809	\$ 13,809
Minneapolis Veterans Home - Building 6 Remodel	3	GO	\$ 12,000	\$ 0	\$ 0
Campus Security Upgrades	4	GO	\$ 6,600	\$ 0	\$ 0
Duluth Cemetery Maintenance Bay Expansion	5	GO	\$ 1,000	\$ 0	\$ 0
Hastings Veterans Home Campus Upgrade	6	GO	\$ 59,656	\$ 0	\$ 0
Veterans Homes - Campus Enhancements and Efficiencies	7	GO	\$ 2,400	\$ 0	\$ 0
Little Falls Cemetery Committal Shelter	8	GO	\$ 1,000	\$ 0	\$ 0
<b>Total Project Requests</b>			\$ 103,465	\$ 13,809	\$ 13,809
<b>General Obligation Bonds (GO) Total</b>			\$ 103,465	\$ 13,809	\$ 13,809

## New Veterans Home Construction Cost Increase

**AT A GLANCE****2022 Request Amount:** \$7,000**Priority Ranking:** 1**Project Summary:** This request is for \$7 million to design, construct, furnish, and equip veterans homes in Bemidji, Montevideo and Preston. This appropriation is in addition to the appropriations under Laws 2018, chapter 214, article 1, section 19, subd. 3.**Project Description**

MDVA and the design team has previously engineered to achieve maximum value for the funding available, however, due to the significant and unanticipated increase in construction materials and labor costs that have occurred as a result of the pandemic, an additional \$7 million is needed to cover these additional costs to build these three new Veterans Homes within the guidelines of the state and the federal Veterans Administration.

The Commissioner of Administration, after direction from the Commissioner of Veterans Affairs, shall allocate the funds to the sites as needed to meet all state and federal requirements to make the facilities operational.

These veterans homes are subject to the requirements of the People's Veterans Homes Act in Laws 2018, chapter 214, article 2, section 44.

*Sec. 44. VETERANS HOMES CONSTRUCTION.**Subdivision 1. Short title. This section may be cited as the "People's Veterans Homes Act."**Subd. 2. Veterans homes established.**(a) The commissioner of veterans affairs may apply for federal funding and establish veterans homes with up to 72 beds per facility available to provide a continuum of care, including skilled nursing care, for eligible veterans and their spouses in the following locations:**(1) Preston;**(2) Montevideo; and**(3) Bemidji.**(b) The state shall provide the necessary operating costs for the veterans homes in excess of any revenue and federal funding for the homes that may be required to continue the operation of the homes and care for Minnesota veterans.**Subd. 3. Nonstate contribution. The commissioner of administration may accept contributions of land or money from private individuals, businesses, local governments, veterans service organizations, and*

*other nonstate sources for the purpose of providing matching funding when soliciting federal funding for the development of the homes authorized by this section.*

### **Project Rationale**

Session Laws 2018, chapter 214, article 1, section 19, subd. 3. appropriated \$32 million in State funds to pay 35% of the cost to build three new Veterans Homes in the State of Minnesota. Additional approval was granted to MDVA to seek the other 65% of the funding from the federal VA. Due to the delay in the approval of federal funds there is now supply chain issues and increased costs for materials so that these three projects lack enough funding to meet all State and Federal requirements to make the facilities operational, thereby jeopardizing more than \$80,000,000 in Federal funding.

### **Project Timeline**

8/2021 to 4/2023

### **Other Considerations**

Due to increased costs of materials and supply chain issues, these three projects may lack enough funding to meet all State and Federal requirements to make the facilities operational thereby jeopardizing more than \$80,000,000 in Federal funding.

### **Impact on Agency Operating Budgets**

MDVA received a general fund appropriation during the FY21 June Special Session of \$337,000 in FY22 and \$8,437,000 in FY23 to set-up and operate these new homes in the current biennium. Additional operational funding will be requested during the FY24/25 biennial budget session to continue to operate these new homes.

### **Description of Previous Appropriations**

Laws 2018, chapter 214, article 1, section 19, subd. 3 \$32 million appropriation

### **Project Contact Person**

Mike Jandro  
Project Manager  
612-548-5958  
mike.jandro@state.mn.us

## Asset Preservation

**AT A GLANCE****2022 Request Amount:** \$13,809**Priority Ranking:** 2**Project Summary:** This request is for \$13.809 million to renovate and upgrade the 64 buildings owned by this agency. This request will address building repair items that go beyond the day-to-day maintenance needs of each facility and will ensure facilities used to care for 900+ residents and the State Veterans Cemeteries are in good condition.**Project Description**

The Minnesota Veterans Homes and the State Veterans Cemeteries occupy 1.2 million square feet in 64 buildings with a replacement value of \$310.7 million dollars. This request is for \$13.809 million to renovate and upgrade these buildings. Nine of these buildings have 24/7 occupancy. This request will address building repair items that go beyond the day-to-day maintenance needs of each facility. This request will also ensure facilities used to care for 900+ residents and the State Veterans Cemeteries are in good condition.

This request would update a variety of resident and cemetery building components. These projects serve to maintain a safe, efficient, and manageable environment for the residents, staff and the general public. Examples of projects in this request include: roofs, chillers, tuck-pointing, elevators repairs, window and door replacement, mechanical and electrical replacements and repairs, water damage repair, and repairs to high pressure boilers.

The amount identified in this asset preservation request reflects a backlog of asset preservation needs.

**Project Rationale**

- Provides funding for upgrades to 64 buildings statewide.
- Continues to ensure buildings meet State and Federal building codes, life/safety codes, Department of Health and other licensing code agencies.
- Enables MDVA to provide a safe environment to care for vulnerable adults.
- Ensures continued, full use of all physical assets.
- Timely repair/replacement of building components eliminates future high costs.
- Projects are located at the Minnesota Veterans Homes (Minneapolis, Hastings, Luverne, Fergus Falls, Silver Bay) and Cemeteries (Little Falls, Preston, Duluth).
- Veteran Home projects over \$400,000 qualify for 65 percent federal VA reimbursement-although

timely corrective action may be impeded.

- Ensures compliance with M.S.16A.11 requiring capital investment of one percent of the replacement cost of buildings for maintenance & repair of state buildings.

## **Project Timeline**

### **Other Considerations**

Without necessary Asset Preservation funding, the agency's facilities will continue to deteriorate, increasing repair costs. In the absence of appropriate maintenance funding, failures can occur, forcing the agency to spend operational funds. This can potentially erode the quality of care for our residents, requiring the agency to request additional general fund appropriations for operations.

### **Impact on Agency Operating Budgets**

Agency repair and betterment funds, which are operating dollars, have been used in recent years to address portions of asset preservation projects. This funding will allow future repair and betterment funds to be spent on more routine maintenance and repair projects.

### **Description of Previous Appropriations**

The Department of Veterans Affairs received \$4 million in 2008, \$4 million in 2010, \$3 million in 2012, \$2 million in 2014, \$5 million in FY17, \$9 million in 2018 and \$6.3 million in FY20 for Asset Preservation.

### **Project Contact Person**

Mike Jandro  
Project Manager  
612-548-5958  
mike.jandro@state.mn.us

**Minneapolis Veterans Home - Building 6 Remodel**

**AT A GLANCE**

<b>2022 Request Amount:</b>	\$12,000
<b>Priority Ranking:</b>	3
<b>Project Summary:</b>	This request is for \$12 million to remodel historic building 6 to accommodate 36 additional skilled nursing beds at the Minneapolis Veterans Home.

**Project Description**

Historical building 6 on the Minneapolis campus is currently sitting vacant. This \$12 million request would completely upgrade this building to meet current senior living practices, codes, rules, and business practices to accommodate 36 new skilled nursing beds. This \$12 million reflects the 35% State share of the overall project which is projected to have mid-point of construction in 2024.

**Project Rationale**

MDVA has a total of 1,058 federal authorized beds in the state of MN. The current breakdown of those beds are:

- Minneapolis Veterans Home – 300 Skilled Nursing Beds
- Minneapolis Veterans Home – 50 Domiciliary Nursing Beds
- Hastings Veterans Home – 145 Domiciliary Nursing Beds; Federal VA currently recognize 200 domiciliary Beds which can be adjusted to 145
- Silver Bay Veterans Home – 83 Skilled Nursing Beds
- Fergus Falls Veterans Home – 106 Skilled Nursing Beds
- Luverne Veterans Home – 85 Skilled Nursing Beds
- Proposed Bemidji Veterans Home – 72 Skilled Nursing Beds
- Proposed Montevideo Veterans Home – 72 Skilled Nursing Beds
- Proposed Preston Veterans Home – 54 Skilled Nursing Beds

MDVA has 36 beds left of the 1,058 Federal authorized beds for Minnesota. By funding this project MDVA would be able to maximize Federal beds authorized as well as utilize a historic building on the Minneapolis campus in the same capacity as intended but upgrading the interior to meet current skilled nursing standards.

**Project Timeline**

6/2024 to 1/2026

**Other Considerations**

Building 6 was vacated in March of 2017 and all 91 residents receiving skilled care were moved to the

new 100 bed building (building #22) on the Minneapolis Veterans Home Campus. Building 6 is over 120 years old and is on the state historic registry as part of the historic Minneapolis Veterans Home Campus. Building 6 continues to deteriorate both inside and out, and the agency continues to incur significant costs to heat, cool, and provide regular maintenance on the building and its systems, while receiving little benefit or use of the building. This proposal to completely renovate historic building 6 supports MDVA's Strategic Goal to "Ensure a seamless continuum of support through collaborative relationships at the federal, state and community level that addresses the evolving needs of Veterans and their families." This facility will assist in reducing the current eight month backlog of Veterans on the waiting list for placement at the Minneapolis State Veterans Home.

**Impact on Agency Operating Budgets**

Additional operating funds will be needed to support these new skilled nursing beds.

**Description of Previous Appropriations**

\$186 thousand in asset preservation funds were used in 2008 on this building.

**Project Contact Person**

Mike Jandro  
Program Manager  
612-548-5958  
mike.jandro@state.mn.us

## Campus Security Upgrades

**AT A GLANCE****2022 Request Amount:** \$6,600**Priority Ranking:** 4**Project Summary:** This request is for \$6.6 million to upgrade and enhance physical and electronic security devices at the State Veterans Homes and the State Veterans Cemeteries.**Project Description**

The Minnesota Department of Veterans Affairs occupies 1.2 million square feet in 64 buildings with a replacement value of \$310.7 million dollars. In 2018/2019, MDVA requested a security assessment from the Department of Homeland Security for the Minneapolis, Hastings, and Silver Bay Veterans Homes and campuses. As a result, this request is for \$6.6 million to install a standardized and centralized security system that will enable local and remote access to security cameras and footage, and ensure secure door locking and limited access for each home and cemetery. In addition to those campuses reviewed by the Department of Homeland Security, this project also includes security updates for the three MDVA Veterans Cemeteries in Little Falls, Preston and Duluth.

**Project Rationale**

Currently, MDVA Veterans Homes have a variety of systems and several vendors that provide inconsistent support throughout the homes, and various levels of security apparatus, some of which lack the recommended level for securing these facilities. Nine of these buildings have 24/7 occupancy and house vulnerable adults. This request will also ensure facilities used to care for the 824 licensed care beds are safe. There has been an increase in the number of incidents at our facilities that have required various levels of staff and local authority intervention, which has raised the alertness of MDVA Senior Management as it relates to the care of our vulnerable adults and safety of our over 1,400 employees. This project will provide funding for upgrades and security enhancements at our five Veterans Homes and three Cemeteries, and enable MDVA to provide a safe environment to care for vulnerable adults, employees, and guests.

**Project Timeline**

1/2022 to 3/2023

**Other Considerations**

None

**Impact on Agency Operating Budgets**

Agency repair and betterment funds, which are operating dollars, have been used in recent years to address portions of current security systems. This funding will allow future repair and betterment funds to be spent on more routine maintenance and repair projects.



**Description of Previous Appropriations**

In 2020 Session Law Chapter 3 - \$1.9M was funded for campus security from unused funds from the Minneapolis Veterans Home Truss Bridge project.

**Project Contact Person**

Mike Jandro  
Program Manager  
612-548-5958  
mike.jandro@state.mn.us

**Duluth Cemetery Maintenance Bay Expansion****AT A GLANCE**

<b>2022 Request Amount:</b>	\$1,000
<b>Priority Ranking:</b>	5
<b>Project Summary:</b>	\$1 million in state funds is requested for the State Veterans Cemetery-Duluth to design, construct, and equip an expansion to the existing maintenance building which will include dedicated office space for the Cemetery Foreman.

**Project Description**

In 2018 the State Veterans Cemetery - Duluth had a maintenance building constructed to support grounds operations at our newest facility. At that time, the expansion of the maintenance building was an add-alternate on the overall State Veterans Cemetery- Duluth's construction project. Due to insufficient funding we were not able to execute the shop expansion which includes a dedicated office for the Cemetery Foreman (which is a supervisory position) and essential storage space for equipment and supplies to keep them from exposure to the outdoor elements.

This project will construct an approximately 4,300 sq. ft. addition onto the existing maintenance bay with pre-engineered insulated metal wall panels. This work includes fence and gate relocations, utility relocations, pavement, and grading work to support the building expansion. The expansion was designed as a steel building to reduce construction costs from the original design of masonry, stone, and steel finishes.

**Project Rationale**

Currently the SVC-Duluth is the only State Veterans Cemetery without an expanded maintenance facility. An expanded maintenance facility will provide the following:

- 1) Dedicated office space for the Cemetery Foreman (supervisory position): the Cemetery Foreman requires dedicated, secure, and private office space to perform coaching and mentoring to ground staff. Currently they are utilizing the Honor Guard room which is used by volunteers performing Honor Guard services.
- 2) A protected space to store equipment: as the cemetery continues to develop additional equipment has been or will be ordered and that equipment needs a dedicated space to be stored to protect it from the environmental elements. This includes mowers, hydraulic attachments, 1-ton dump truck, an excavator, an electric utility vehicle, and other utility vehicles. Leaving this equipment outdoors will result in increased maintenance costs, create operational delays in utilizing equipment, and drastically reduce the viable lifespan of the equipment.
- 3) A protected space to store supplies: our cemeteries purchase supplies such as salt, seed, fertilizer, and other supplies that cannot be stored outside due to the extreme heat/cold and other weather conditions. Providing an indoor space to store these supplies will reduce waste in our supply inventory and allow us to purchase in bulk quantities to reduce overall supply costs.

4) Increasing storage space will better allow us to meet OSHA standards: There is a concern with the amount of equipment that we currently store in addition to new incoming equipment that we will be in non-compliance with OSHA safety standards. Providing additional space will allow us to provide sufficient room for staff to move around our maintenance facility and perform the functions of their jobs without overcrowding and an increased chance of injury.

### **Project Timeline**

This project is expected to take approximately 9-10 months.

2-3 Months: Go out for Bid and award contract

6-7 Months: Construction

### **Other Considerations**

#### **Impact on Agency Operating Budgets**

There is no significant impact on our agency's overall operating budget with this project. There could be a slight increase in utility costs associated with the expansion of building square footage but this along with any other costs will be absorbed using existing cemetery funds.

#### **Description of Previous Appropriations**

None

#### **Project Contact Person**

Mike Jandro

Project Manager

612-548-5958

mike.jandro@state.mn.us

**Hastings Veterans Home Campus Upgrade****AT A GLANCE****2022 Request Amount:** \$59,656**Priority Ranking:** 6**Project Summary:** This request is for \$59.656 million to replace the State facility that houses the Minnesota Veterans Home– Hastings Domiciliary Program. The Hastings Domiciliary Program location can serve 145 Veterans who are in need of a supportive environment that ensures each Veteran has a stable, healthy, and meaningful life.**Project Description**

The current Hastings Veterans Home Campus is a converted state hospital. Some of the buildings that are being maintained were constructed over 100 years ago. Replacing these campus buildings will greatly improve the lives of the Veterans we serve by providing updated facilities, private rooms and bathrooms (currently shared rooms and dormitory-style bathrooms), and additional program and treatment spaces. Modernization of the campus will meet current and future needs of a Veteran population that struggles with their mental, chemical, and medical health.

**Project Rationale**

The \$59.656 million reflects the State's 35% share of the costs of the modernization project the additional \$111 million, or 65%, will be covered by the Federal VA . The Minnesota Veterans Home – Domiciliary Program is a national leader in providing domiciliary care to Veterans and has been excelling with program improvements that address the Veterans' mental, chemical, and medical care. But, the Program is not reaching its full potential due to the age and design of the campus. Current infrastructure on the campus has an immediate need of \$20,000,000 in repairs, but those repairs do not address Veteran living spaces.

**Project Timeline**

36 Months

**Other Considerations**

None

**Impact on Agency Operating Budgets**

None foreseen at this time.

**Description of Previous Appropriations**

Asset preservation funds of approximately \$3.2 million has been spent on the Hastings campus over the last 5 years.

**Project Contact Person**

Mike Jandro

Program Manager

612-548-5958

mike.jandro@state.mn.us

## Veterans Homes - Campus Enhancements and Efficiencies

**AT A GLANCE****2022 Request Amount:** \$2,400**Priority Ranking:** 7**Project Summary:** This request is for \$2.4 million to enhance the campus and make more efficient the MN Veterans Homes, specifically focused on two buildings that have exceeded their lifecycle expectations at Fergus Falls and Minneapolis and rebuilding a modest maintenance facility at Fergus Falls.**Project Description**

The Minnesota Department of Veterans Affairs will demolish two buildings at MN Veterans Home - Fergus Falls (Building 2) and MN Veterans Home - Minneapolis (Building 13) whose remodeling costs far outweigh demolition and rebuild. The following provides a summary of each project request:

MN Veterans Home - Fergus Falls (Building 2) needs to be demolished because it presents safety concerns with the current state of the building, as well as not having any current functional use. The area will be replaced with a modern utility building that is designed to provide maintenance storage and indoor vehicle maintenance.

MN Veterans Home - Minneapolis Building 13 is a dilapidated and generally unsafe building and serves no purpose to residents or staff of the MN Veterans Home. After demolition of this building, the area would be refilled, paved, and striped for use as a parking.

**Project Rationale**

- Funding of this request will enable MDVA and its facilities to continue efforts to address deferred maintenance and renewal/replacement needs at MDVA's state-owned facilities used for Veterans healthcare. The buildings are in such a state that they are not able to provide needed operational use.
- Provides funding for necessary demolition at both sites and rebuild in Fergus Falls.
- Continues to ensure buildings meet State and Federal building codes, life safety codes, Department of Health and other licensing code agencies, as well as adequate facilities that assist in maintaining MDVA campuses.
- Enables MDVA to provide a safe environment to care for vulnerable adults.
- Ensures continued full use of all physical assets.
- Timely repair/replacement of building components eliminates future high costs.

**Project Timeline**

**Other Considerations**

Limited repair/replacement operating funds are not sufficient to address critical and expensive asset preservation projects, like those proposed. Expending operating funds for deferred maintenance projects limits MDVA's ability to address routine preventative, predictive and corrective facility maintenance – ensuring good stewardship of existing facilities.

**Impact on Agency Operating Budgets**

These campus enhancements will have little to no impact on MDVA's operating budget.

**Description of Previous Appropriations**

N/A

**Project Contact Person**

Mike Jandro  
Program Manager  
612-548-5958  
mike.jandro@state.mn.us

Little Falls Cemetery Committal Shelter

**AT A GLANCE**

<b>2022 Request Amount:</b>	\$1,000
<b>Priority Ranking:</b>	8
<b>Project Summary:</b>	\$1 million in state funds is requested for the State Veterans Cemetery-Little Falls to design, construct, and equip a new outdoor committal shelter and outside access point connecting to the future Minnesota Military Museum.

**Project Description**

The new outdoor committal shelter at the State Veterans Cemetery-Little Falls will be approximately 1,100 sqft and open on three sides. The shelter will include a small stone veneer storage space on the non-open side which will house electronics and mechanical systems to provide for live-streaming of committal services and an in-floor ice and snow melt system. The project will also incorporate adjacent sidewalks, Memorial Rifle Squad pad, and improvements to the roadway and curbing infrastructure to allow for parking via a multi-lane paved area to accommodate up to 30 vehicles.

The outside access point component will include sidewalks, landscaping, lighting, and an ornamental fence with piers and entry gate connecting the Minnesota Military Museum to our eastern perimeter. This access point will connect to a sidewalk and crosswalk leading to the future museum. The separate museum project scope includes the adjacent crosswalk and sidewalk which is not part of our project.

**Project Rationale**

Currently the only committal shelter Little Falls has is an indoor committal shelter. Adding an outdoor committal shelter will align us with our other facilities, which also have an outdoor committal shelter, and provide us with the necessary facilities to continue at not only our current pace but also as burials increase into the future. The following reasons support our request:

- 1) To support the growing demand of interments at the State Veterans Cemetery (SVC)- Little Falls. In FY20 SVC-Little Falls conducted 457 interments while our other State Veterans Cemeteries completed 112 (Preston) and 157 (Duluth). In FY21 (excluding June interment numbers) Little Falls has interred 501 individuals, already exceeding FY20's interments. An outdoor committal shelter would allow us the ability to conduct simultaneous interments and also provide a backup location if for some reason our indoor committal shelter was unavailable for any reason.
- 2) An outdoor committal shelter provides families the option to increase the number of attendees at a service. Currently the indoor committal shelter can only safely accommodate 45 attendees.
- 3) An outdoor committal shelter provides us an opportunity to have an outdoor focal point for large events such as Memorial Day and other special events where a space is provided with power and live streaming capability to further reach the public.
- 4) An outdoor committal shelter aligns our facility with the standard operating practice of utilizing



outdoor committal shelters throughout the National Cemetery Administration's individual and state operated Veteran's cemeteries.

5) An outdoor committal shelter provides for a safer environment for staff and attendees and can prevent the spread of communicable diseases (such as COVID-19) by providing an open air venue to conduct the committal service.

The outside access point component of this project will provide key integration with the adjacent future Minnesota Military Museum. The State Veterans Cemetery-Little Falls will enhance the public's experience at the Minnesota Military Museum by affording visitors the chance to visit and pay respects to those who have served and payed the ultimate sacrifice. The Minnesota Military Museum will enhance the State Veterans Cemetery- Little Falls by allowing the public who are visiting their loved one's final resting place an opportunity to learn about their sacrifices and experiences in the military. It will also act as a support facility for our large public events such as Memorial Day by providing increased parking and ancillary event space as we further develop our annual Memorial Day program.

### **Project Timeline**

This project is expected to take approximately one year and could be delayed depending on when the project breaks ground, as frost levels are a considering factor, in addition to construction schedules of other projects. In addition to this project we are coordinating with the National Cemetery Administration on expanding our burial infrastructure and with the Military Museum adjacent to our property on sidewalks and access points. As those projects move forward our construction could be delayed/extended up to 10 months depending on the level of coordination required. This project has not undergone any design or engineering, although we do have previous designs of outdoor committal shelters at our other facilities that could be used to shorten the design phase.

Jun/Jul 2022: Design and Engineering

Aug 2022: Go out for Bid

Sep 2022: Award Contract and break ground

Oct 2023: Complete construction

### **Other Considerations**

#### **Impact on Agency Operating Budgets**

There is no significant impact on our agency's overall operating budget with this project at this time. There could be a slight increase in utility costs associated with the in-floor snow, ice removal system in addition to the live streaming system, and lighting.

#### **Description of Previous Appropriations**

None

#### **Project Contact Person**

Mike Jandro

612-548-5958

mike.jandro@state.mn.us