

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2022	2024	2026	2022	2024	2026
New Veterans Home Construction Cost Increase	1	GO	10,329	0	0	10,329	0	0
Hastings Veterans Home Campus Upgrade	2	GO	59,656	0	0	59,656	0	0
Asset Preservation	3	GO	13,809	13,809	13,809	10,300	10,300	10,300
Minneapolis Veterans Home - Building 6 Remodel	4	GO	19,046	0	0	0	0	0
Veterans Homes and Cemetery Security Upgrades	5	GO	6,600	0	0	0	0	0
Fergus Falls and Minneapolis Veterans Homes – Demolition and Replacement	6	GO	2,400	0	0	0	0	0
Little Falls and Preston Veterans Cemeteries – Site Improvements	7	GO	4,290	0	0	0	0	0
Total Project Requests			116,130	13,809	13,809	80,285	10,300	10,300
General Obligation Bonds (GO) Total			116,130	13,809	13,809	80,285	10,300	10,300

<https://mn.gov/mdva/>

AT A GLANCE

- Provide six major program areas under two divisions, each with numerous Veteran services including:
 - Long-term, Skilled nursing and Domiciliary care
 - Adult Day Center and resources for caregivers
 - Veteran Suicide Prevention
 - Education and employment services
 - Federal Veterans Affairs (VA) claims and outreach services
 - Homeless Veteran prevention and assistance services
 - State benefits (State Soldiers Assistance Program)
- Operate 5 State Veterans Homes and 3 State Veterans Cemeteries
- Serve more than 312,000 Veterans in Minnesota
- Employ approximately 1,400 staff statewide

PURPOSE

The mission of Minnesota Department of Veterans Affairs (MDVA) is “Serving Minnesota Veterans, their dependents and survivors by connecting them with the federal and state care and benefits they have earned.” MDVA is a “post wartime agency” and was created by the 1943 state legislature to consolidate the services provided to service members; since 2007, MDVA has operated the Minnesota Veterans Homes. Today, there are more than 312,000 Veterans in Minnesota (about 6 percent of the state’s population).

Since 9/11, approximately 77,000 Minnesotans have been discharged from active duty and more than 45,000 have served in a combat zone. Veterans face many challenges including translating their military skills and experiences to civilian occupations, unemployment and underemployment, and short- and long-term medical issues resulting from their military duty. In addition, many Veterans and their families experience both mental fatigue and physical injuries associated with military deployments. Finally, approximately 23 percent of the state’s population aged 65 and older are Veterans, many with unique long-term care needs.

MDVA exists to fulfill the needs of these Veterans and their families by providing innovative programs and services to maximize their quality of life, while monitoring and adapting to emerging needs such as high Veteran suicide rates, homelessness, and Veteran issues that have been exacerbated by the COVID-19 pandemic.

STRATEGIES

MDVA strives to enhance the lives of those it serves through the development and implementation of services that are tailored to meet the current, ongoing and future needs of Veterans and their families. MDVA does this through two divisions: **Programs & Services** and **Veterans Healthcare** (Minnesota State Veterans Homes).

Many Veterans are not aware of the benefits that they have earned through their military service. **The Programs & Services Division** collaborates with its partners in the Veterans services community to assist Veterans in obtaining these benefits. Examples include securing or assisting in the provision of financial, educational and medical benefits. Additionally, there are an estimated 315 Veterans without safe, stable, or affordable housing on any given night in Minnesota according to the latest Point-in-Time count in 2020. (<https://www.hudexchange.info/programs/coc/coc-homeless-populations-and-subpopulations-reports/>). By working with partners and stakeholders through its Homeless Veteran Registry (<https://mn.gov/mdva/resources/homelessnessandprevention/homelessveteranregistry.jsp>), MDVA works to identify and develop housing plans for Veterans who are homeless or at risk of homelessness. Finally, the Programs & Services Division and partners provide resources for financial, family and mental health counseling, as

well as operating three State Veterans Cemeteries, with a fourth one currently under construction, and coordinating funeral honors benefits.

For more information, visit: <https://mn.gov/mdva/resources/>

The Veterans Healthcare Division currently operates five Minnesota Veterans Homes located in Fergus Falls, Hastings, Luverne, Minneapolis, and Silver Bay. MDVA works to ensure that Veterans and their families have options for meeting their long-term care needs while providing the highest-quality care. The homes offer multiple long-term care options including 24-hour skilled nursing, domiciliary, and adult day care. The homes also offer specialty care units for Alzheimer’s and dementia, as well as dental care, physical rehabilitation, work therapy, transportation, chemical dependency, psychological, spiritual, and recreational services to improve the health and quality of life of its Residents. Most recently the Healthcare Division has endeavored to reduce Veteran suicide rates in MN by taking a prominent position in the “Governor’s Challenge to Reduce Veteran Suicide.”

<https://mn.gov/mdva/news/pressroom/?id=1066-421871>. MDVA is currently constructing three new Minnesota Veterans Homes to expand the Department’s capacity and geographic presence.

For more information, visit: <https://mn.gov/mdva/homes/>

For more information, see the 2020 Annual Report for the Minnesota Department of Veterans Affairs (https://mn.gov/mdva/assets/2020-mdva-annual-report_tcm1066-461306.pdf).

Minnesota Department of Veterans Affairs legal authority comes from:

- Minn. Stat. 196 (<https://www.revisor.mn.gov/statutes/cite/196>),
- Minn. Stat. 197 (<https://www.revisor.mn.gov/statutes/cite/197>), and
- Minn. Stat. 198 (<https://www.revisor.mn.gov/statutes/cite/198>).

AT A GLANCE

- The Minnesota Department of Veterans Affairs will ensure fiscal integrity by optimizing supplemental resources in addition to appropriated funds.
- The Minnesota Department of Veterans Affairs will ensure fiscal integrity by developing cost control and budget management improvement strategies.
- The Minnesota Veterans Homes will meet the needs of the Veteran community by providing innovative resident care and services.
- The Minnesota Veterans Homes will develop, optimize and implement clinical capacity to promote program delivery to meet the needs of our Veterans and resident community.
- The Minnesota State Veterans Cemeteries will honor Veterans with dignified final resting places which commemorate their service and sacrifice to our Nation.
- The Minnesota State Veterans Cemeteries will be operated and maintained as models of excellence and as national shrines for our Nation's Veterans and their families.

Factors Impacting Facilities or Capital Programs

The Minnesota Department of Veterans Affairs (MDVA) - Veterans Health Care Division is faced with an ever-changing healthcare landscape. Challenges experienced by the Veterans Homes are analogous to those faced by community-based providers and in many ways more expansive due to the complexities of State government and particular Veteran needs. These challenges include:

1. Increased resident acuity related to dementia and complex medical conditions. Veterans who have experienced traumatic military service to their country are living longer, while cognitive and medical diagnosis can become even more pronounced and severe. Aggression and behavioral health issues are common and more frequently encountered in our resident population. The impact of this phenomena results in increased requirements for building systems including wander security alert systems, nurse call systems, access and egress within areas of rescue, need for private rooms and bathrooms, as well as basic maintenance of MDVA campuses and property.
2. Physical plants are aging and most buildings on the Minneapolis and Hastings campuses are on an average 100 years old. Our oldest campus dates to 1887 (Minneapolis); the Hastings campus was established in 1900 as an asylum and later opened as a state Regional Treatment Center in the 1940's and converted to the current Veterans Home in 1978; the Homes in Luverne and Fergus Falls were constructed in 1994 and 1998 respectively; and in 1991, an elementary school originally constructed in 1953 was modestly renovated to become the Silver Bay Veterans Home.
3. The Minnesota Veterans Homes manage 68 buildings, with 1.25 million total gross square footage and a replacement value of \$318. million.
4. All Veterans Homes are 24/7 operations requiring extensive and continuous system support to accommodate the necessities of infrastructure, utilities, and basic operating systems.
5. The Homes directive to become certified by the Centers for Medicaid and Medicare Services (CMS) has also added a burden to facility and physical plant maintenance, as repairs, and in some cases remodeling, and updates to the skilled nursing facilities has been necessary.
6. Life/safety standards are constantly evolving and becoming more stringent in both requirements and compliance. Federal Veterans Affairs (VA), State, and Centers for Medicare and Medicaid Services (CMS) rules and regulations are demanding in terms of compliance, and ongoing audit and survey requirements.

MDVA – Memorial Affairs Division has one chance to get it right when providing a Veteran burial in our State Veterans Cemeteries. Veterans choose burial in our State Veterans Cemeteries in part because they and their

families see the high quality of our facilities and the high level of care that is provided in maintaining our facilities. Maintaining our cemetery facilities in this manner to ensure our Veterans are perpetually honored creates challenges. These challenges include:

1. Maintaining highly visible structures that have been constructed with high-quality, long lived, durable materials. To ensure the longevity of these high-quality building materials, regular and consistent maintenance and preservation is required.
2. Increased demand for burials and use of cemetery facilities. Demand at our oldest cemetery in Little Falls (est. 1994) has increased 500% in 2 decades. Almost 600 annual burials are now completed at Little Falls, with over 8,666 total burials since 1994. Demand is expected to follow similar trends at our cemeteries in Preston (est. 2015) and Duluth (est. 2018) and the new State Veterans Cemetery in Redwood Falls currently under construction (est. 2023).
3. Memorial Affairs manages 8 structures, 310 acres, 7,759 occupied gravesites, 9,536 available developed gravesites and over 60,000 future phased gravesites in undeveloped acreage throughout our currently established cemeteries.

Self-Assessment of Agency Facilities and Assets

MDVA - requests submitted in order of highest priority. Priority 1 & 2 based on facility condition audits initially conducted in 2013, and updated in 2015, 2017, 2019, 2020 and 2021

MDVA requires significant asset preservation dollars to maintain facilities with basic systems, life safety and meet regulatory requirements. Facility conditions audits (FCAs) were completed with support of Department of Administration in 2013. In 2015, 2017, 2019, 2020 and 2021 the FCAs were reviewed and updated by the Agency Facilities Manager, Total Infrastructure and Facility Management (TIFM) administrator, Plant Directors and Building Foremen. MDVA is requesting asset preservation funding of all Priority 1 & 2 items.

Agency Process for Determining Capital Requests

MDVA's strategic business plan and capital budget goals support and ensure that all MDVA facilities provide the highest level of professional service and care possible.

At our State Veterans Homes, quality care and programming in a therapeutic, highly adaptive and dignified environment is required. The aging Veteran population and their increasing demand for services based on continued acuity and complexity, places stress on existing facilities and programming space and the need to expand these spaces. Federal and State rules and regulations require expanded and more stringent requirements for therapeutic environments and support systems and also increased Homes' needs for space expansion and maintenance.

At our State Veterans Cemeteries our grounds and facilities must be maintained as national shrines. The aging Veteran population and the correlating rate of death has increased the number of Veterans who are choosing our cemeteries as their final resting place. This increase in demand for burial services also places stress on existing facilities and programming space. The National Cemetery Administration standards and measures for the operation and maintenance of our State Veterans Cemeteries require a very high level of care and appearance of our grounds and facilities. This demands preservation of our high-quality cemetery assets to the highest level possible.

The ongoing assessments of physical plants and operations based on Facility Condition Audits (FCA) provides a consistent and disciplined approach to determining ongoing facility needs. The ARCHIBUS preventive maintenance system is fully implemented at all MDVA facilities.

In order to meet MDVA strategic plan goals and objectives over the next few years, we must ensure that each MDVA facility is in suitable operating condition. MDVA continues to update and improve our strategic business plan goals and objectives and has utilized the results-based accountability process and tools to measure outcomes on an ongoing basis.

The strategic planning process has supported MDVA in identifying programmatic and facility needs which are reflected in our capital requests. If a facility requires renovation, expansion or new construction, we have worked to analyze the need, review options and alternatives, and request only the necessary funding.

MDVA has also completed pre-designs on major requests in an effort to provide more detailed and accurate information and commissioned studies and audits to determine future demand for facility needs, both qualitative and quantitative.

The current capital budget request has been reviewed and recommended by MDVA Senior Leadership. The priorities were reviewed using the following criteria:

1. **MDVA strategic business plan.** This includes the development of strategic goals and objectives for the next few years for MDVA facilities.
2. **Quality service and patient care.** This includes both the services available to our Veterans and the environment in which residents reside in our Homes to support a 24/7 operation.
3. **Regulatory requirements.** This includes Federal VA, State and CMS regulatory requirements for physical plant, life safety, and supportive systems and infrastructure.
4. **Maintenance and protection of the physical plant.** This includes correcting current deficiencies and maintaining the integrity of the physical plants and supporting systems.
5. **Adequate, viable infrastructure support.** This includes providing management with the tools necessary to ensure efficient operation of the Homes.

Major Capital Projects Authorized in 2020 and 2021

2020

Asset preservation projects at Minnesota Veterans Homes (Hastings, Luverne, Minneapolis, Silver Bay, and Fergus Falls) and Cemeteries (Little Falls and Preston): \$6,300,000

Green House Fergus Falls Veterans Home: \$100,000

Grand to Martin County – Veterans Memorial: \$350,000

New Veterans Home Construction Cost Increase

AT A GLANCE**2022 Request Amount:** \$10,329**Priority Ranking:** 1**Project Summary:** This request is for \$10.329 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, labor costs and lack of available labor that has occurred as a result of the pandemic, an additional \$10.329 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 \$86,958,252 in Federal funding.

Project Timeline

8/2021 to 7/2023

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 \$86,958,252 in Federal funding.

Impact on Agency Operating Budgets

MDVA received a general fund appropriation during the June 2021 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

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Governor's Recommendation

The Governor recommends \$10.329 million in general obligation bonds for this request.

Veterans Affairs

Project Detail

(\$ in thousands)

New Veterans Home Construction Cost Increase

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2022	FY 2024	FY 2026
State Funds Requested				
General Obligation Bonds	\$ 32,000	\$ 10,329	\$ 0	\$ 0
Funds Already Committed				
Pending Contributions				
TOTAL	\$ 32,000	\$ 10,329	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2022	FY 2024	FY 2026
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 0	\$ 0	\$ 0
Project Management	\$ 0	\$ 0	\$ 0	\$ 0
Construction	\$ 32,000	\$ 10,329	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 32,000	\$ 10,329	\$ 0	\$ 0

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2022	FY 2024	FY 2026
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 10,329	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Pre-design Review (M.S. 16B.335 subd. 3):	
Does this request include funding for pre-design?	Yes
Has the pre-design been submitted to the Department of Administration?	Yes
Has the pre-design been approved by the Department of Administration?	Yes
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	Yes
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	No
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	N/A
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2026?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Hastings Veterans Home Campus Upgrade**AT A GLANCE****2022 Request Amount:** \$59,656**Priority Ranking:** 2

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. Funding of \$15.1m for design costs is an option.

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. However, the Program is not reaching its full potential due to the age and design of the campus. As part of the Master Plan, Wold Architects completed Physical Condition Assessments on 8 buildings which identified \$16,200,000 of deferred maintenance costs which includes critical infrastructure issues. Funding of \$15.1M for design would ensure this critical project continues to move forward.

Project Timeline

42 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

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Governor's Recommendation

The Governor recommends \$59.656 million in general obligation bonds for this request.

Veterans Affairs

Project Detail

(\$ in thousands)

Hastings Veterans Home Campus Upgrade

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2022	FY 2024	FY 2026
State Funds Requested				
General Obligation Bonds	\$ 0	\$ 59,656	\$ 0	\$ 0
Funds Already Committed				
Pending Contributions				
TOTAL	\$ 0	\$ 59,656	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2022	FY 2024	FY 2026
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 15,100	\$ 0	\$ 0
Project Management	\$ 0	\$ 0	\$ 0	\$ 0
Construction	\$ 32,000	\$ 44,556	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 32,000	\$ 59,656	\$ 0	\$ 0

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2022	FY 2024	FY 2026
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 59,656	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Pre-design Review (M.S. 16B.335 subd. 3):	
Does this request include funding for pre-design?	Yes
Has the pre-design been submitted to the Department of Administration?	Yes
Has the pre-design been approved by the Department of Administration?	No
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	N/A
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	No
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	Yes
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2026?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Asset Preservation

AT A GLANCE**2022 Request Amount:** \$13,809**Priority Ranking:** 3**Project Summary:** This request is for \$13.809 million to renovate and upgrade the 64 buildings maintained 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 over 700 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 \$349.7 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 over 700 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

Projects will be addressed on a rolling basis.

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

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Governor's Recommendation

The Governor recommends \$10.3 million in general obligation bonds for this request. Also included are budget estimates of \$10.3 million for each planning period for 2024 and 2026.

Veterans Affairs

Project Detail

(\$ in thousands)

Asset Preservation

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2022	FY 2024	FY 2026
State Funds Requested				
General Obligation Bonds	\$ 20,300	\$ 13,809	\$ 13,809	\$ 13,809
Funds Already Committed				
Pending Contributions				
TOTAL	\$ 20,300	\$ 13,809	\$ 13,809	\$ 13,809

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2022	FY 2024	FY 2026
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 0	\$ 0	\$ 0
Project Management	\$ 0	\$ 0	\$ 0	\$ 0
Construction	\$ 20,300	\$ 13,809	\$ 13,809	\$ 13,809
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 20,300	\$ 13,809	\$ 13,809	\$ 13,809

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2022	FY 2024	FY 2026
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 13,809	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Pre-design Review (M.S. 16B.335 subd. 3):	
Does this request include funding for pre-design?	N/A
Has the pre-design been submitted to the Department of Administration?	N/A
Has the pre-design been approved by the Department of Administration?	N/A
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	N/A
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	Yes
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	No
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	N/A
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	N/A
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2026?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	N/A
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A

Minneapolis Veterans Home - Building 6 Remodel**AT A GLANCE****2022 Request Amount:** \$19,046**Priority Ranking:** 4**Project Summary:** This request is for \$19.046 million to remodel historic building 6 to accommodate 36 additional skilled nursing beds at the Minneapolis Veterans Home.**Project Description**

Historical building 6 houses only the Dental Clinic for the Minneapolis Campus. All other spaces are used for storage or are have been vacant since 2017. These additional rooms are required to meet the growing long term care needs at MVH-Minneapolis. This \$19.046 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. The \$19.046 million reflects the State's 35% share of the costs of the project and the additional \$35.371 million, or 65%, will be provided by the Federal VA.

Project Rationale

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.

Building 6 needs to be quickly put back into operation to meet the increasing demands for Veteran long term care at Minnesota Veterans Home-Minneapolis. The current waiting list includes 608 Veterans and 182 Spouses of Veterans. The average wait time a vacant room is over 18 months. These additional 36 rooms will help decrease the wait time and maximize the number of federal VA authorized beds for Minnesota.

Building 6 on the Minneapolis campus currently houses no residents and does not meet current building safety, health and code requirements. Many of the mechanical systems are at end of life and require replacement within the next five years. In 2019, several old pipes burst due to age and caused flooding on the lower floors of the building. The water system has been drained to ensure no further damage is inflicted. The exterior to the building needs a significant restoration to ensure it can maintain the historic Neoclassical style. As part of this project all mechanical systems will be relocated from the exposed roof to the first floor to enhance preventative maintenance and equipment longevity. The current layout of residential floors is not conducive to effective operations. Building 6 is energy and water intensive because it has been 24 years since the last renovation.

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

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 115 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 eighteen 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

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Governor's Recommendation

The Governor does not recommend capital funding for this request.

Veterans Affairs

Project Detail

(\$ in thousands)

Minneapolis Veterans Home - Building 6 Remodel

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2022	FY 2024	FY 2026
State Funds Requested				
General Obligation Bonds	\$ 0	\$ 19,046	\$ 0	\$ 0
Funds Already Committed				
Pending Contributions				
TOTAL	\$ 0	\$ 19,046	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2022	FY 2024	FY 2026
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 5,100	\$ 0	\$ 0
Project Management	\$ 0	\$ 0	\$ 0	\$ 0
Construction	\$ 0	\$ 13,946	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 0	\$ 19,046	\$ 0	\$ 0

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2022	FY 2024	FY 2026
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 19,046	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Pre-design Review (M.S. 16B.335 subd. 3):	
Does this request include funding for pre-design?	No
Has the pre-design been submitted to the Department of Administration?	Yes
Has the pre-design been approved by the Department of Administration?	Yes
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	Yes
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	Yes
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	Yes
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2026?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Veterans Homes and Cemetery Security Upgrades

AT A GLANCE**2022 Request Amount:** \$6,600**Priority Ranking:** 5**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 \$349.7 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 address identified security concerns at these locations which includes: improving exterior lighting, installing security desks/physical barriers entering each location, hardening exterior windows, restricting access to campuses by installing gate arms and other physical barriers, as well as installing 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 similar security updates for the three MDVA Veterans Cemeteries in Little Falls, Preston and Duluth – which have limited or no security.

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
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Governor's Recommendation

The Governor does not recommend capital funding for this request.

Veterans Affairs

Project Detail

(\$ in thousands)

Veterans Homes and Cemetery Security Upgrades

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2022	FY 2024	FY 2026
State Funds Requested				
General Obligation Bonds	\$ 0	\$ 6,600	\$ 0	\$ 0
Funds Already Committed				
Pending Contributions				
TOTAL	\$ 0	\$ 6,600	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2022	FY 2024	FY 2026
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 768	\$ 0	\$ 0
Project Management	\$ 0	\$ 0	\$ 0	\$ 0
Construction	\$ 0	\$ 5,832	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 0	\$ 6,600	\$ 0	\$ 0

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2022	FY 2024	FY 2026
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 6,600	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Pre-design Review (M.S. 16B.335 subd. 3):	
Does this request include funding for pre-design?	No
Has the pre-design been submitted to the Department of Administration?	No
Has the pre-design been approved by the Department of Administration?	No
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	N/A
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	N/A
Will a use agreement be required (M.S. 16A.695 subd. 2)?	N/A
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	No
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2026?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	N/A
Is the required information included in this request?	N/A

Fergus Falls and Minneapolis Veterans Homes – Demolition and Replacement

AT A GLANCE**2022 Request Amount:** \$2,400**Priority Ranking:** 6**Project Summary:** This request is for \$2.4 million to demolish two buildings on the Minneapolis and Fergus Falls campuses that are a safety issue and are no longer habitable. In addition, construct structures where the demolished buildings previously occupied.**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

12 Months

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

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Governor's Recommendation

The Governor does not recommend capital funding for this request.

Veterans Affairs

Project Detail

(\$ in thousands)

Fergus Falls and Minneapolis Veterans Homes – Demolition and Replacement

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2022	FY 2024	FY 2026
State Funds Requested				
General Obligation Bonds	\$ 0	\$ 2,400	\$ 0	\$ 0
Funds Already Committed				
Pending Contributions				
TOTAL	\$ 0	\$ 2,400	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2022	FY 2024	FY 2026
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 360	\$ 0	\$ 0
Project Management	\$ 0	\$ 0	\$ 0	\$ 0
Construction	\$ 0	\$ 2,040	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 0	\$ 2,400	\$ 0	\$ 0

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2022	FY 2024	FY 2026
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 2,400	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	N/A
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	N/A
Will a use agreement be required (M.S. 16A.695 subd. 2)?	N/A
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	No
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2026?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Little Falls and Preston Veterans Cemeteries – Site Improvements

AT A GLANCE

2022 Request Amount:	\$4,290
Priority Ranking:	7
Project Summary:	\$4.29 million in state funds is requested for the State Veterans Cemeteries to design, construct, and equip a new outdoor committal shelter, an outside access point connecting to the future Minnesota Military and Veterans Museum in Little Falls, and analyze, design, and implement irrigation system improvements in Little Falls and Preston.

Project Description

The request for \$4.29 million in state funds will allow MDVA to accomplish four improvements within our State Veterans Cemetery network:

- 1) Little Falls: Design, construct, and equip a new outdoor committal shelter
- 2) Little Falls: Design and construct a new outside access point connecting the future Minnesota Military and Veterans Museum
- 3) Little Falls: Analyze, design, and construct improvements to the existing irrigation system
- 4) Preston: Analyze, design, and construct improvements to the existing irrigation system

Little Falls: Design, construct, and equip a new outdoor committal shelter

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.

Little Falls: Design and construct a new outside access point connecting the future Minnesota Military and Veterans Museum

The outside access point component will include sidewalks, landscaping, lighting, and an ornamental fence with piers and entry gate connecting the Minnesota Military and Veterans 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.

Little Falls & Preston: Analyze, design, and construct improvements to the existing irrigation system

The analysis, design, and construction of irrigation system improvements will ensure that we can accomplish the following in Little Falls and Preston:

- 1) Optimize our water supply sources (retention ponds, river, wells, natural springs, and surrounding regional storm water shed systems) to ensure redundant water supply sources can provide adequate irrigation. This may include
 - a. the drilling of a new well for irrigation purposes.
 - b. Expanding existing retention ponds to ensure 100% of water runoff from our road systems is retained
- 2) Mitigate water quality issues from all water supply sources properly to prevent headstone staining. This may include the inclusion of advanced water filtration systems and changes to surrounding regional storm water flow and retention strategies.
- 3) Assess water throughput of our water supply sources to ensure adequate supply to support sustained irrigation during drought conditions.
- 4) Optimize and implement automation wherever possible to reduce the amount of staff hours to manage irrigation systems.
- 5) Inclusion of all relevant stakeholders (i.e. DNR, BWSR, Watershed Districts, etc.) in analysis and design process to ensure a wholistic approach is taken and all relevant policies and permitting requirements are adhered to.

Project Rationale

Little Falls: Design, construct, and equip a new outdoor committal shelter

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) 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. Currently the State Veterans Cemetery – Little Falls is using a temporary outdoor structure with a tent covering for their outdoor committal shelter and has become the primary committal shelter space used.
- 2) 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 Little Falls interred 590 individuals, a 29% increase over the previous fiscal year. 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.
- 3) 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, 15 attendees with social distancing.
- 4) 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.
- 5) 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.

Little Falls: Design and construct a new outside access point connecting the future Minnesota Military and Veterans Museum

The outside access point component of this project will provide key integration with the adjacent future Minnesota Military and Veterans Museum. The State Veterans Cemetery-Little Falls will enhance the public's experience at the Minnesota Military and Veterans Museum by affording visitors the chance to visit and pay respects to those who have served and paid the ultimate sacrifice. The Minnesota Military and Veterans 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.

Little Falls & Preston: Analyze, design, and construct improvements to the existing irrigation system

The MDVA will contract with an engineering firm to analyze and design irrigation system improvements to ensure that our facilities can continue to establish and maintain pristine turf areas that meet the high standards of excellence expected of our facilities that honor the memory and sacrifices of those who have served while mitigating known issues that continue to hinder our operations.

Without the proper irrigation improvements which will result in an increased number of quality water supply sources we will continue to experience dormant and dying turf during drought conditions, the promotion of various drought resistant weed species, and the staining of our headstones which requires increased staff time and resources to mitigate. It can take multiple years to recover from dead and dormant turf sections depending on when proper irrigation can be restored and the seasonal optimal germination cycles. Our pristine turf sections provide our families of loved ones their first impression of how we honor and take care of their loved one's final resting place and can establish a lasting impression that they will remember for years. It's important to us that we are always able to demonstrate, through our high standards of excellence, the honor and dignity we bestow on our Veteran's final resting place.

Preston and Little Falls both have known issues with water quality that have a secondary effect of staining our granite headstones. Upright headstones aligned with precision in perfectly symmetrical columns and rows is a pillar of Veterans cemeteries. It is a visualization that resonates in everyone's minds as an example of the honor and dignity afforded to our Veterans in their final resting place. In Preston, we have battled water quality issues for years resulting in visually obvious headstone staining. We have found labor intensive ways to clean the headstones and some irrigation system improvements that have allowed us to more accurately diagnose the problem, but we are at the juncture where a broad wholistic analysis and improvement design process needs to be undertaken so that we can finally resolve the broader issue which is the reduction of particulates through sand filtration, iron through increased aeration and large-scale filtration, and vegetation through mechanical skimming processes and potentially through biological means.

In Preston we continue to have issues mitigating runoff from area watersheds and naturally occurring springs and believe we need to augment our current mitigation processes by creating additional holding ponds in drainage areas, increasing the height of pond edges and increasing depth of irrigation ponds. This will assist us with increasing the water quality and preventing the staining of our granite headstones.

Little Falls has for years utilized the adjacent Mississippi River as its primary water supply source for its irrigation system. However, this has presented itself with many challenges. We continually must adapt to differing water levels and changes to our pump sled system to respond to variable river water levels. During prolonged drought conditions, the river as a water source is unreliable and our watering permit can be suspended at any time when low water levels are observed for extended periods of time.

Presently, irrigation wells are used in all our State Veterans Cemeteries, except Little Falls. Adding an irrigation well as an additional water supply source to our irrigation system will ensure we will always be able to maintain a water supply to continue to establish and maintain our turf areas. While adding a well we also need to mitigate the known water quality issues we have with wells in Little Falls to prevent the staining of our headstones.

We continue to capture 100% of the water runoff from our roadways in Little Falls, however, our existing retention pond is insufficient to retain 100% of that runoff and some of it flows into the Mississippi River through our overflow outlet structure. Enlarging our retention pond will allow us to better manage our water source with the least environmental impact.

Lastly, tying these new improvement measures together will be automation where it can be applied to streamline our irrigation system and reduce the need for staff intervention and human error.

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 Minnesota Military and Veterans 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

N/A

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

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Program Manager
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Governor's Recommendation

The Governor does not recommend capital funding for this request.

Veterans Affairs

Project Detail

(\$ in thousands)

Little Falls and Preston Veterans Cemeteries – Site Improvements

PROJECT FUNDING SOURCES				
Funding Source	Prior Years	FY 2022	FY 2024	FY 2026
State Funds Requested				
General Obligation Bonds	\$ 0	\$ 4,290	\$ 0	\$ 0
Funds Already Committed				
Pending Contributions				
TOTAL	\$ 0	\$ 4,290	\$ 0	\$ 0

TOTAL PROJECT COSTS				
Cost Category	Prior Years	FY 2022	FY 2024	FY 2026
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 385	\$ 0	\$ 0
Project Management	\$ 0	\$ 0	\$ 0	\$ 0
Construction	\$ 0	\$ 3,905	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 0	\$ 4,290	\$ 0	\$ 0

IMPACT ON STATE OPERATING COSTS			
Cost Category	FY 2022	FY 2024	FY 2026
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS		
	Amount	Percent of Total
General Fund	\$ 4,290	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	N/A
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6)?	Yes
Will the project comply with the targeted group purchasing requirement (M.S. 16C.16 subd. 13)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	N/A
Will a use agreement be required (M.S. 16A.695 subd. 2)?	N/A
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	N/A
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	No
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2026?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 473.4485: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A