




Export Business Case: Construct Outpatient Mental Health Building (VHA23-438-2015-22692)

Overview

Basic Information

1: Project Information

Project Name: Construct Outpatient Mental Health Building
Project Type: Minor Construction
SAT System Name: VHA23-438-2015-22692 (version 2016-1)
Station ID: 438
Station Name: Sioux Falls
VISN: VHA-23
Action Plan Project Status: VISN Approved

Date of Submission: * 

Total Required Funding

2: Project Funding Information (dollars in thousands)

Design/Buildout Cost: 664
Construction/Lease Cost: 8014
Total Project Cost: \$8,678.00
Project Type: Minor Construction

A completed cost estimate worksheet(s) is required to be attached as back up documentation to support the Total Project Funding for major construction, minor construction, all lease and NRM projects. Click on the links below for downloadable cost estimate worksheets. The project cost used for budgeting purposes is pulled from the Action Plan project entry. Please ensure that the project cost is consistent with all attached documentation, including the cost estimate worksheet(s) and the cost-effectiveness analysis (CEA) template, as appropriate. Office of Construction and Facilities Management Cost Guides can be found at: <http://www.cfm.va.gov/cost/>

- A. [Major Construction](#)
- B. [Minor Construction and Non-Recurring Maintenance](#)
- C. [Major and Minor Leases](#) (choose doc named BC Link 2016 - Lease Cost Est Template.xlsl)

2a: Cost Estimate Sheet Attachment: Click here to enter a description of the cost estimating approach document -- then click "Select" button to upload the file:

 Construct Outpatient Mental Hea..

Points of Contact

This information from the Action Plan indicates who created and approved this project. Below provide information on the primary POCs.

This project was created by: Ryan D Holman
It was originally created in: 2015
It was approved in the Action Plan by: Maria C. Rasmussen
It was approved in the Action Plan on: 4/23/2014 4:08:32 PM

3. Provide information on the Capital Asset Coordinator and the Facility Point of Contact.

Category	Contact Name	Phone Number	Email Address
Capital Asset Coordinator (VISN/MSN/Regional Level)	Pete Yakowicz	651-405-5633	Peter.Yakowicz@va.gov
Facility Point of Contact	Crystal Dobbins	Crystal.Dobbins@va.gov	Crystal.Dobbins@va.gov

Project Description/Scope of Work

4: Short Project Description from the Action Plan Module:

NOTE: The description provided in this section is the official scope of work for the project which is set when the business case is put into "Approved" status. It is suggested that you provide an updated and complete scope of work in 4b, below. Any deviations from the approved scope of work require additional approval. Provide a scope of work below that addresses all phases of the project, regardless of previous funding, to include the:

1. Purpose of the project;
2. Project location as the building and floor level;
3. Functions included;
4. Amount of new, renovated, and demolished space in gross square feet for construction (use net usable square feet for total leased space);
5. Total number of parking spaces included in the project (surface and structured); and
6. List of impact items.

In addition, for previously funded major construction projects (those that have recieved design and/or construction funding; not APF) provide:

1. The scope of work to be accomplished with the budget year funding request;
2. A description of any scope changes (programs, space, or cost) from the I

* Construction of new space for outpatient mental health services. This project will construct a 15,000 square foot stand-alone building for outpatient mental health on VA campus grounds. Our current outpatient mental health is housed in 9,535 square feet which will be converted to space that will house the union and contracting staff, no renovation needed. In addition, this project includes demolition of a 3,441 square foot building, (Building 15) that currently houses the union staff. The union staff, fiscal and contracting staff will move to the 9,535 square feet vacated by mental health.

4a: Above is the project description from the Action Plan project. Would you like to provide more details? *

- ☒ Yes, please provide me space to write a more detailed description
- ☐ No, the APM description is sufficient

4b: If yes above, then provide a COMPLETE/UPDATED description below to REPLACE the Action Plan description, above: *

The VA Sioux Falls Health Care System is planning the construction of a new 15,000 square foot outpatient mental health building in accordance with the facilities master space plan created by the OCAMES office. The new structure will consist of outpatient mental health clinician rooms, scheduling and waiting room space, group therapy rooms, v-tel/telehealth space and interdisciplinary conference space.

Project Justification

*5: Summarize the problem you are trying to solve with this investment: **

In accordance with the VA Sioux Falls Master Plan created by OCAMES construction of a new Outpatient Mental Health Building is slated for FY16. Currently outpatient mental health is housed in 9,535 square feet of space. Recommended square footage's outlined by the capital asset inventory is 16,541 square feet. The Health Care Planning Module shows utilization of outpatient mental health services to increase by 30% over the next 20 years. The current space is not adequate to keep up with current or future demands for outpatient mental health services. VA nationally is pushing initiatives to increase utilization of outpatient services including group therapy and telehealth services. The current building footprint does not have adequate space to expand these services to meet demand.

Building 1 which currently houses the outpatient mental health service line was built in 1920. The building has identified mold and ventilation issues. Numerous staff have been relocated to other areas within the hospital due to health concerns related to the buildings mold and ventilation issues. The relocation of staff has caused staffing inefficiencies due to their separation from service line support personnel.

This project also includes the demolition of Building 15 which is old administrative space to create a site for the new outpatient mental health building. Numerous facility condition gaps will be mitigated with the demolition.

This project will close gaps in utilization, space, condition, and functional gaps related to parking.

Alternatives

Required Alternatives:

A. Major Construction and Major Lease projects for VHA must analyze: Status Quo, New Construction, New Lease, Renovation, Contract Out, Acquire an Existing Facility, VA/DoD Joint Project, and Other (for an alternative that doesn't fit into one of these categories).

1. A narrative description is mandatory for all of the Status Quo and the six named alternatives above, however, if any are considered non-viable, indicate why. Other should only be described if it is used as a viable alternative.
2. It is mandatory to financially analyze the Status Quo, New Construction, New Lease, Contract Out, and Acquire an Existing Facility in the cost-effectiveness analysis (CEA) template, even if the alternative is non-viable. It is also mandatory to financially analyze Other if the alternative is used.
3. If Renovation and VA/DoD Joint Project alternatives are described below as being non-viable, inclusion in the CEA is not required.

B. Minor Construction and Minor Lease projects must evaluate the Status Quo and two alternatives (for all Administrations/Staff Offices).

C. VHA Non-recurring maintenance, including GMP-Green, and VBA, NCA, Staff Office/OIT Minor-NRM projects are not required to provide an evaluation of alternatives due to their nature of being mainly infrastructure related.

D. Major Construction and Major Lease projects for VBA, NCA, and Staff Offices are required to evaluate the Status Quo and two viable alternatives.

*6: Describe the alternative solutions considered for closing the identified gap(s), or VA performance goals, or specific Departmental initiative(s) being addressed by this project. A narrative description is mandatory for all alternatives, however if any are considered non-viable, indicate why. **

1. Status Quo. The current space is not adequate to meet the growing demand for outpatient mental health services. Taking into consideration the Health care Planning Module projections for growth the current square footage is not adequate to meet the growing demand. In addition VA Directive R-19 is slated to increase the amount of mental health providers at each facility. Our current space shortage has caused numerous mental health providers to be relocated to different areas in the hospital due to inadequate space on the outpatient mental health floor.
2. Preferred Alternative - New Construction. Construction of a outpatient mental health building will allow for a modern design that will increase efficiencies and allow for expansion of telehealth initiatives. The new space will allow VA Sioux Falls to meet the R-19 initiatives intention to expand access to mental health services. Design and construction of this new space is in accordance with the VA Sioux Falls Master Plan created by OCAMES. This project will close gaps in utilization, space, condition, energy and functional parking gaps.
3. Alternative 1 - Renovation. The current space does not contain adequate square footage to maintain efficient operations or keep up with the growing demand for services. In addition the current building foot print does not allow for a renovation that will increase provider space to meet the growing demand.
3. Alternative 2 - Lease. The attached CEA demonstrates that leasing is the most expensive alternative. In addition, it is not the most patient centered care alternative. Numerous patients come to the campus for multiple appointments. By segregating mental health in a leased space in the community we will be requiring patients to drive a distance to see their mental health providers.

*6a: For any capital project building or leasing new space (excluding NRMs) answer the following: 1) Does the size of this project reflect the use of extended hours, such as 8:00 am to 6:00 pm, versus 8:00 am to 4:00pm?; 2) If so, specify the services being provided with extended hours and the hours they are provided: **

In accordance with the R-19 initiative increasing access to mental health services is a priority. R-19 calls for an increase in the hiring of mental health providers. Currently the VA Health Care System does not have the space to house these additional staff. This project will create space for these staff. It is anticipated that as the mental health providers staff pool grows and space becomes available the facility will be able to extend clinic hours to meet patient demand and give working Veterans the opportunity to see providers on weekends and nights.

Related Projects

7. *Related Projects.* In the table below list all related projects- approved or planned including- non-recurring maintenance- minor projects or major projects. Below you can attach floor plans noting the affected areas.

Project Number and Title	FY Approved	FY Planned	Location (Building/Floor)	Relation to this Project
No records to display.				

7a: **Related Projects Attachment:** Click [here](#) to provide a brief description of the supporting file you are attaching. Then click the "Select" button to upload your file.

Inpatient Projects

8. *Inpatient Project Data - (Includes projects involving the bed types listed below. Provide # physical beds- not Bed Days of Care (BDOC) or Average Daily Census (ADC).*

Bed Category	# Beds 2012 Baseline	# Beds 2022 Modeled	# Beds 2032 Modeled	Actual Beds Before Project	Actual Beds After Project	Change In Beds Resulting from Project
No records to display.						

Make sure each field in the table is completed!

Safety/Compliance (excludes Seismic)

9: Does this project improve current or potential compliance deficiencies with safety, VBA and IT standards (excluding seismic) and laws (including operating room, supply distribution and processing, and inpatient privacy standards), ensure critical building systems do not fail, and result in VA space meeting the requirements of VBA Claims Processing and Information Technology space standards? (see Help Window for more information) *

- ☒ Yes
- ☐ No

9a: Describe the safety, VBA, IT, and/or other (inpatient privacy, SPD, operating rooms) standards with which the space is not in compliance and how this project will mitigate that situation. Attach all supporting documentation (i.e., MOAs, EAs, etc.) verifying compliance. If compliance is not complete, describe the strategy, with timeline, for how compliance requirements will be fulfilled prior to project execution: *

The current outpatient mental health space is located in building 1 on the 3rd floor. Building 1 was constructed in 1920 and has had reoccurring issues with ventilation and mold. September of 2010 the VA Sioux Falls Health Care System received notification from OSHA of a reported health hazard due to employees reporting respiratory illnesses related to mold and ventilation. Numerous employees were removed from the 3rd floor outpatient mental health area and the facility has taken measures to mitigate this issue, including several NRM projects. However, the building is still old infrastructure and the facility still has numerous mental health providers displaced due to continued health and allergy concerns related to the building. See attached letter from OSHA.

Numerous providers are located in small treatment rooms that are not large enough to allow a room configuration for provider escape if needed. These small rooms present a provider entrapment risk.

In addition, access to the existing mental health areas are currently not monitored by a security system and do not have swipe card access.

This project would allow all outpatient mental health providers to be located in one area thereby increasing staffing efficiencies as well as mitigating the health concerns associated with building 1. The new structure will consist of a brand new standalone outpatient specialty services clinical building. Therefore, all NFPA life safety codes, NEC, NRC, OSHA, TJC and ABAAS codes will be met. The new structure will have ground floor accessibility for patients.

This project also adds camera systems, duress alarm systems, handicap accessibility and automatic lock down system in case of terrorist attack or other need for facility lock down. The project will also have physical security safeguards to include a main entry door with a card reader for authorized persons.

9b: Safety/Compliance Attachment: First click here to provide a description of the file(s) you are attaching. Then click "Select" to upload the files:

 OSHA Letter.pdf

9c: Other Functional Gap Data for Safety/Compliance:

Functional Gap	Gap (#)	This Project
No records to display.		

9d: Other Items Gap Data for Safety/Compliance:

Gap Type	Description of Gap	Unit of Measure	Existing Gap	Project Impact on Gap
Safety	Inadequate Sized Rooms for Provider Safety	Current outpatient mental health treatment rooms are very small to accomodate furniture and allow providers to safely exit the rooms with upset patients.	21	21

Security/Emergency Preparedness

10: Does this project mitigate deficiencies in security (including IT security) and/or emergency preparedness standards and result in improved compliance? (See Help Window for more details) *

- ☒ Yes
- ☐ No

10a: Please explain in detail: *

The new structure will meet all security standards as outlined in VA Directive 0730.

The Physical Design Manual for VA Facilities, July 2007, provides standards for improving the protection of mission critical facilities across the U.S. Department of Veteran Affairs (VA). The manual states that mission critical VA facilities shall make improvements to the building envelope in a manner to increase the blast resistance of the envelope. Specifically, this means that windows shall be of laminate glazing and shall resist the spreading of glazing or window parts past a distance of 10 feet into the building when subjected to the design blast.

This project adds camera systems, duress alarm systems, handicap accessibility and automatic lock down system in case of terrorist attack or other need for facility lock down. The project will also have physical security safeguards to include a main entry door with a card reader for authorized persons.

10b: Other Items Gap data for Security/Emergency Preparedness:

Gap Type	Description of Gap	Unit of Measure	Existing Gap	Project Impact on Gap
Security	Swipe Card Access	Secured Mental Health Space	1	1

10c. Functional Gap data for Security/Emergency Preparedness:

Functional Gap	Gap (#)	This Project
No records to display.		

Seismic

11: Does this project result in removing a seismically deficient building or buildings from VA's capital asset inventory? Buildings may or may not be listed on the VA Seismic Deficiency Extremely High Risk or High Risk lists (Degenkolb study). *

- ☐ Yes
- ☒ No

Facility Condition Assessment

12: Does this project result in the reduction of FCA dollars as reported in the Capital Asset Inventory (CAI) FCA or similar sources? *

- ☒ Yes
- ☐ No

12a: Condition Correction Backlog and Project Impact Data from the Action Plan (in whole dollars). The System column will display the subsystem addressed in the Action Plan project.

System	Correction Backlog (FY 2013)	This Project
Accessibility	\$5,308	
Curb & Gutter	\$43,427	
Fencing	\$15,924	
Landscaping	\$69,006	
Parking	\$104,698	
Walks	\$90,238	
Wayfinding	\$743	
Accessibility	\$83,844	
Exterior Walls	\$890,915	
Fixed Equipment	\$2,653,948	
Interior Finish/Door	\$7,002,473	\$100,000
Life Safety	\$318,812	
Roof	\$227,289	\$50,000
Signage/Wayfindg	\$928,125	
Windows	\$376,346	\$20,000
Elec/Tele Closets	\$120,706	
Emerge Elec Sys.	\$1,232,400	
Fire Alarm	\$1,650,359	
Lighting & Power	\$23,887	
Lighting Protect	\$5,308	
Nurse Call/Int/TV	\$345,028	
Primary Switchgear	\$530,812	
Secondary Dist.	\$539,961	
Transformer	\$147,450	
Steam Distribution	\$6,367	
Asbestos	\$457,233	
Mold Remediation	\$10,616	
Air Handling Equip	\$5,835,484	
Condnst Wtr Sys	\$4,639	
Cooling Twr	\$15,924	
Ducts & Water Dist.	\$3,243,262	\$50,000
Engr.Control Syst	\$975,254	
Primary Chilled Sys	\$58,389	
Refrigeration Equip	\$23,347	

System	Correction Backlog (FY 2013)	This Project
Room Air Dist/Term	\$2,712,971	
Ventil (O.A. & Exh)	\$2,826,710	
Fire Sprinkler / Pump	\$16,455	
Fixtures / Piping	\$404,592	\$20,000
Hot Water Heater	\$37,157	
Laundry Equipment	\$424,650	
Medical Gases	\$12,787	
Boiler	\$2,122	
Piping	\$85,784	
Water Softeners	\$29,195	
Air Compressor	\$955	
Data Processing	\$1,061	
Foundations	\$106,162	
Seismic/Wind Load	\$79,622	
Elevators	\$418,108	
Mains	\$37,157	
Sources	\$685,406	
Inside Cable Plant (ICP)	\$2,654	

Other Self Defined Gaps

13: Does this project reduce a gap(s) that is not addressed in any other question in this application? *

- ☐ Yes, this project has an Other Self Defined Gap
- ☒ No, there are no Other Self Defined Gaps

Increasing Access

Wait Time

14: Will this project result in a reduction in the number of Primary Care and/or Specialty Care appointments outside of the guidelines? *

- ☐ Yes
☒ No

Veteran Access

15. Client (Veteran) Access to Services – Will this project result in an increase in additional client access to services? *

- ☐ Yes
☒ No

Customer (Internal) Access to Services

16: Are there new FTEs that indirectly support Veterans (non-Veteran facing) affected by this project? *

- ☐ Yes
☒ No

Support Structures (includes parking garages and surface parking)

17: Does this project alleviate a shortage of structures at a facility that help ensure Clients have access to services while at that facility, such as, parking spaces (garage or surface), committal shelters, outdoor public restrooms, and/or gravesite locator kiosks? If yes, complete the Support structure table below. If your project addresses a parking space gap, refer to the Parking Gap table below. *

- ☒ Yes
- ☐ No

17a. Enter your Support Structures below. Do not report parking in this section. If you have a parking gap it should be reported in the Action Plan in the Parking Gap category - then the data will populate the Parking Gap table at question 17b.

Location	Type of Support Structures	Existing # of Support Structures	# of Additional Support Structures Needed (Gap)	Gap Filled by the Project
No records to display.				

17b: Parking Gap. Attach a copy of your completed Parking Demand Model, below.

Functional Gap	Baseline	Gap (#)	This Project
Parking (# of Spaces)	859.00	355.00	20.00

17c: Parking Gap Attachment: Click here to describe any attached documents - then click the "Select" button to upload the file(s):

Funding for Enhanced Mental He...

17d: Please explain: *

This project will add 20 patient parking spots.

Utilization/Workload

18: Does this project reduce a utilization and/or workload gap? *

- ☒ Yes
- ☐ No

18a: VHA Utilization Information from the Action Plan:

Strategic Planning Category	FY 2012 Baseline	Projected 2022 Utilization	Gap from 2012 Baseline (#)	Gap from 2012 Baseline (%)	This Project
Amb: Mental Health Programs (Clinic Stops)	75,484.00	104,374.00	28,890.00	38.27%	16,725.00

Right Sizing Inventory

Space Impact

A: Does this project result in the acquisition or construction of a new building or lease that will have a predominant use of Office/Administration or Warehouse/Storage?

- ☐ Yes
- ☐ No

B: Does this project result in a building or lease being converted from a previous usage code to now having the predominant use of Office/Administration or Warehouse/Storage?

- ☐ Yes
- ☐ No

C: Does this project result in an existing building or lease with a predominant use of Office/Administration or Warehouse/Storage being expanded beyond its current footprint?

- ☐ Yes
- ☐ No

Space -- New Construction/Lease and/or Renovation

19: Space Impact of project from the Action Plan:

Space Type	New Square Feet Added	Square Feet Renovated	Renovation Level
Administration		4768	Low
Mental Health	15000		
Common/Vacant/Construction		4767	Low

20: New Construction/Lease: Will this project result in additional square footage built or leased? *

- ☒ Yes
- ☐ No

20a. Space - New Construction (GSF) or Lease (NUSF)

Building Number/Name or Lease Location	Space Type	New Square Feet Added
New Asset in station 438	Mental Health	15000
		Sum: 15000

21: Space - Renovation: Will this project result in existing square footage being renovated? *

- ☐ Yes
- ☒ No

22: Please provide a description of the impact on Space: *

This project will construct a 15,000 square foot standalone clinical building on VAMC grounds. The 9535 square feet of space currently housing mental health will be converted into space to house finance, contracting and the union. No renovation will be needed to reutilize the 9535 space. This project also includes demolition of building 15 which has 3441 square feet, per VA Sioux Falls capital asset inventory this buiding consists of 2940 square feet of administration space, 101 square feet support space and 400 square feet of common/swing space. Per Brett Simms space impact and space gap tabs are correct.

Currently VA Outpatient Mental Health has around 55 patients outside the 14 day access guidelines. With the projected growth of services expected to exceed 30% there are concerns over meeting access guidelines without adequate space. The VA Sioux Falls is currently hiring numerous mental health providers to meet access demands as outlined by VA's National initiative R-19. Space for these staff has become an on-going issue, numerous mental health social workers and providers are being housed in different locations in the hospital due to inadequate space available in the outpatient mental health area. This causes inefficiencies with scheduling staff and inconveniences for patients. The patients are requiried to check in on the 3rd floor of of building 1 which houses the outpatient mental health staff, however, numerous providers are housed on the first floor of building 5 due to space issues. Patients then have to walk down and wait in the hallway of building 5 until they can be seen by these displaced providers. This project will allow adequate space to house all outpatient mental health providers in one area.

The facility was told by Bret Simms, OCAMES, to enter the space vacated as part of this project into the project impact tab as low renovation because space impact and space gap had to match, even though no renovation is occuring with this project.

Space - Disposal

23: Will this project result in the disposal of VA-owned space via demolition, sale or transfer? If yes, ensure the table below reflects the correct information for this project, and answer questions 23b, below. *

- ☒ Yes
- ☐ No

23a. Disposals of VA-owned space via demolition, sale or transfer from your Action Plan project:

Asset Id	Asset Name	Total Square Footage	Disposed Square Feet	Partial Disposal?	Disposal Method
43815	Fiscal (43815)	3441	3441	No	Demolition

23b: What is the cost of the demolition listed in the table at question 23a, above? (enter in whole dollars)? *

Collocation

24: Is a collocation of another Administration included in this project? *

- ☐ Yes
- ☒ No

Space - Footprint Reduction

25: Does this project result in a reduction in current space? *

- ☒ Yes
- ☐ No

25a: Describe how this project results in a reduction in footprint. *

Building 15, 3441 square feet of support space will be demolished to create space for this project.

Cost Saving Strategies

26: Does this project result in cost savings? (For your reference a listing of cost saving strategies can be found in the 2016 SCIP SharePoint site in the Shared Documents>Business Case Resource Documents folder. This list is not all inclusive. Any and all cost saving strategies related to this project should be provided here. *

- ☒ Yes
- ☐ No

26a. Use the table below to quantify cost saving strategies related to this project.

Cost Saving Strategy	Cost Saving Realized as a Result of this Project (whole \$)	Term of Cost Savings
Construction Technologies	\$173,566	One-time Lump Sum
Divesting Old Infrastructure	\$25,000	Life Cycle
Construction Cost Estimating	\$300,000	One-time Lump Sum

26b: Describe how the chosen strategy (or strategies) will result in a reduction in costs. Attach back up documentation below: *

The following are projected cost saving strategies that will affect this project:

1. Construction Cost Estimating in Action Plans: VA Sioux Falls engineering department plans to save on contingency costs which are typically built into projects by utilizing more effective and efficient means of cost estimating early on in the action planning SCIP cycle. It is anticipated the usual 10% contingency budget will be cut to 5% by earlier project planning and accurate cost estimating.
2. Construction Technologies. With a project of this magnitude it is anticipated the RFP process will include value engineering. It is anticipated 2% of the project budget could be saved with contractor value engineering proposals.
3. Divesting of Old Infrastructure. This project includes the divesting of Building 15. It is anticipated the government will save approximately \$25,000.00 over a 30 year period due to savings in new roofing and tuck pointing needed on BLDG 15.

26c: Cost Savings Attachment: [Click here](#) to provide a description of the attached files. Then click "Select" to choose the files to upload.

Best Value Solution

27: Was the most cost effective NPV option chosen? *

- ☒ Yes
- ☐ No

The table below can be automatically filled by uploading the CEA template. However, the CEA template must be in the correct version of MS-Excel. See instructions on the right for more information.

27a: Best Value Attachment: Click here to provide a description of the file you are uploading. Then click the "Select" button and choose the Cost-Effectiveness Analysis template you want to upload. If you use Excel 2007 (or later) format, the data will be inserted automatically.

Universal CEA Template Mental ...

27b. Best Value Solution -- Comparison of Alternatives.

Options	Total Acq. Cost *	Ancil. Services **	Equipment/ Other Items	Total Number of FTEs	Net New FTEs	Total Lifecycle Cost	NPV
Status Quo	\$437	\$38,499	\$0	46		\$38,935	
New Construction	\$8,929	\$39,916	\$1,266	46	0	\$50,111	\$-4,277
Renovation	\$0	\$0	\$0	0	0	\$0	\$0
Lease	\$835	\$41,605	\$1,266	46	0	\$43,706	\$-4,770
Contract Out	\$0	\$0	\$0	0	0	\$0	\$0
Acquire Exist. Facil.	\$0	\$0	\$0	0	0	\$0	\$0
VA/DoD Collab.	\$0	\$0	\$0	0	0	\$0	\$0
Other Alternative	\$0	\$0	\$0	0	0	\$0	\$0

*This is the total estimated cost for construction/renovation projects and build-out cost (special purpose renovation) for leases.

**This is operating expenses and supplies (recurring costs from the CEA)

Departmental Initiatives

Agency Priority Goals (APGs)

28: Eliminate Veteran Homelessness: Does this project contribute to the accomplishment of the APG to Eliminate Veteran Homelessness? *

☒ Yes

☐ No

28a: Select all the performance goals that apply: *

☒ Perf Goal 1:1:1: Decrease the number of homeless Veterans (on a single night)

☒ Perf Goal 1:1:2: Decrease the unemployment rate of the civilian labor force of the civilian non-institutional population of Veterans, 18 years and over.

☒ Perf Goal 1:1:3: Increase the percentage of Montgomery GI Bill or Post 9/11 GI Bill participants who have successfully completed an education or training program.

☒ Perf Goal 1:1:4: Increase Prevention Index V scores – How well VA promotes healthy lifestyle changes, such as immunizations, hyperlipidemia, smoking cessation, and early screening for cancer.

☐ Perf Goal 3:3:1 Reduce the amount of VA's vacant square footage by repurposing or disposing facilities/properties to Support Veterans and Veterans' families.

☒ Improve Veterans Mental Health

☐ Other Performance Goal

28b: Describe in detail how this project contributes to the achievement of the APG to Eliminate Veterans Homelessness, including specific performance measures related to any of the performance goals chosen in the checkboxes above. *

1. Improve Veterans mental health: In accordance with VA Directive R-19 VISN23 received additional funding to add numerous new mental health providers to increase access to mental health services. See attached memorandum from the Assistant Deputy Under Secretary for Health and Operations regarding funding for additional staff. The current square footage only houses 80% of the mental health staff. In order to meet the requirements of the R-19 Directive additional staff will be hired. Currently the VA Sioux Falls does not have the clinical space to house these clinicians. A new out-pt MH building will ensure all MH staff are in one setting and not spread around the hospital, like our current arrangement. With the addition of this project coordination of care will increase, along with the general communication of MH staff. MH staff will be able to monitor Veterans more effectively when MH staff are located in one setting. Veterans will also be able to have better case management when they can see the social worker and provider in one contiguous area instead of having to move to different areas of the hospital for different aspects of mental health services.

2. Eliminate Veteran Homelessness: A new out-patient mental health building will support this initiative by allowing clinical space for homeless staff/new hires to conduct 1:1 visits and group programs with Veterans. Homeless staff will be better able to coordinate care with other clinical staff such as OEF/OIF and PTSD.

29: Eliminate the VBA Claims Backlog: Does this project contribute to the accomplishment of the APG to Eliminate the VBA Claims Backlog? *

☒ Yes

☐ No

30: Improve Access to Benefits and Services via Virtual Means: Does this project contribute to the accomplishment of the APG to Improve Access to Benefits and Services via Virtual Means? *

☒ Yes

☐ No

30a: Select all the performance goals that apply: *

☐ Perf Goal 1:2:3 Increase the National Call Center Customer Satisfaction Overall Score.

☐ Perf Goal 1:2:4 Increase the percentage of patients rating VA Health Care as 9 or 10 on a scale from 1 to 10 (outpatient).

☒ Perf Goal 1:2:6 Increase the percent of patients who access VHA health care using a virtual format (e.g., video, smartphone, or online services).

☐ Perf Goal 1:2:7 Maintain or improve the percentage of respondents who rate the quality of service provided by the national cemeteries as excellent.

☐ Perf Goal 1:2:10 Reduce the number of times that a Veteran has to provide redundant information to VA entities.

☐ Other Performance Goal

30b: Describe in detail how this project contributes to the achievement of the APG to Improve Access to Benefits and Service via Virtual Means, including specific performance measures related to any of the performance goals chosen in the checkboxes above. *

The South Dakota market area is considered highly rural. The Sioux Falls VA catchments area is spread across the Midwest in the states of Iowa, South Dakota with some CBOC's being separated from the parent facility by a three hour drive. Recruitment of mental health providers and social workers is difficult in some of these highly rural areas. Currently many of our clinics in highly rural area's provide mental health services via telehealth. As the demand for mental health services grows it is the VA's intention to grow our telehealth capabilities. In the current space we have one dedicated telehealth room for mental health providers. This project will offer space and equipment to continue to grow telehealth services for patients in need of mental health services in highly rural communities.

Trusted Partners

31: Does this project contribute to VA Strategic Objective 2.1 Enhance VA's Partnership with DoD? (does not include VA/DoD collaborations for joint health care facilities) *

- ☐ Yes
☒ No

32: Does this project contribute to VA Strategic Objective 2.2 Enhance VA's Partnership with Federal, State, and Private Sector, Academic Affiliates, and Non-Profit Organizations? *

- ☐ Yes
☒ No

33: Does this project contribute to VA Strategic Objective 2.3: Amplify Awareness of Services and Benefits Available to Veterans through Improved Communications and Outreach? *

- ☒ Yes
☐ No

33a: Select all the performance goals that apply: *

- ☐ Perf Goal 2:3:1 Increase the number of Veterans accessing VA services or benefits.
☐ Perf Goal 2:3:2 Increase the number Veterans with whom VA currently communicates.
☒ Perf Goal 2:3:4 Increase Veteran satisfaction with VA services.
☐ Improve Women and Minority Veterans awareness of VA benefits and programs.
☐ Other Performance Goal

33b: Describe in detail how this project contributes to the achievement of VA Strategic Objective 2.3: Amplify Awareness of Services and Benefits Available to Veterans through Improved Communications and Outreach, including specific performance measures related to any of the performance goals chosen in the checkboxes above. *

This project will allow the VA Sioux Falls to meet the current and future demand for outpatient mental health services. The project will be a 50% increase in outpatient mental health space, helping close 100% of the space gap in outpatient mental health. Currently the VA does not have the space required to meet the demand for outpatient mental health services. Mental health providers have been scattered throughout the facility in open office areas because of the shortage of space on the outpatient mental health unit. With the new hires pending as a result of the R-19 initiative the facility will have to continue to house mental health providers in other areas of the hospital away from their support staff and peers in order to find available office space. This project will provide new space that will be designed using the most modern architectural design guides to ensure the VA is providing state of the art health care to Veterans. As of May 2013 the VA Sioux Falls has 24 mental health patients that have been waiting over 14 days to be seen by a provider. It is anticipated with the addition of space all mental health staff can be housed in one designated outpatient mental health area. This will give veterans access to mental health services in one convenient location. With the addition of office space the facility will be able to comply with the R-19 directive and hire the additional staff necessary to meet access in the outpatient mental health clinics.

Seamless and Integrated Support

34: Does this project contribute to VA Strategic Objective 3.1: Make VA a Place People Want to Serve? *

☒ Yes

☐ No

34a: Select all the performance goals that apply: *

☒ Perf Goal 3:1:1 Improve our position on the Office of Personnel Management (OPM) Federal Employee Viewpoint Survey - Best Places to Work.

☒ Perf Goal 3:1:5 Improve High Performance Workplace score.

☐ Other Performance Goal

34b: Describe in detail how this project contributes to the achievement of VA Strategic Objective 3.1 Make VA a Place People Want to Serve, including specific performance measures related to any of the performance goals chosen in the checkboxes above. *

This project helps support the below performance goals in the following ways:

1. Performance Goal 3:1:1 (Improve our position on the OPM Federal Employee Viewpoint Survey - Best Places to Work): This project will allow the facility to finally modernize and integrate all mental health services into one contiguous area and in addition, keep current with the latest in medical equipment and practices. The current mental health space has an infrastructure from the 1920's. The treatment spaces are small which doesn't allow for office configurations for provider escape if needed. The provider is often blocked from access to the door and is put between the patient and the door due to the small size of offices. Staff satisfaction with their working conditions in the mental health area low. Numerous mental health staff complain of allergy related issues due to the age of the space. These providers have been displaced into other sections of the hospital creating inefficiencies with being separated from their support staff. A new modernized space will allow staff the ability to work in an efficient environment that promotes new technology and learning. It is very hard to recruit and retain staff due to the fact the clinic is functioning out of space from the 1920's. Old technology, equipment and small inefficient space create an environment that stagnates innovation and learning.

2. Performance Goal 3:1:5 (Improve High Performance Workplace score): The current space is small and inefficient. Numerous providers are displaced throughout the facility due to the limited number of offices available. In addition, numerous staff share offices and get kicked out of their office if the provider they share with has to see a patient. A new space would allow the staff to function at a higher capacity with an efficient clinical design and enough private treatment rooms for each provider.

35: Does this project contribute to VA Strategic Objective 3.2: Evolve VA IT Capabilities to Meet Emerging Customer Service/Empowerment Expectation of Both VA Customers and Employees? *

☐ Yes

☒ No

Department of Defense Collaboration

36: Does this project result in increased opportunities for DoD collaboration and/or sharing? *

☐ Yes

☒ No

Energy Standards

37: Does this project contribute to the Department's energy goals? *

- ☒ Yes
- ☐ No

37a: Energy Gap Information from Action Plan:

Energy Category	Gap (#)	This Project
Building Sustainability (#Sustainable buildings)	2.00	1.00

37b: Please describe how this project contributes to the Department's energy goals: *

The new building will be built in accordance with VA design guides. The building will include designs for energy efficient HVAC and electrical systems. The use of natural lighting will also be included in the design to decrease energy costs over the buildings life-cycle. This project also includes demolition of BLDG 15 which was built in 1950 and the building contains several facility condition gaps including gaps in mechanical and electrical. The project will divest this old structure to create a site for the new sustainable out patient mental health building.

All new construction and major renovations shall implement and comply with technologies within the VA “Guiding Principles for Federal Leadership in High Performance and Sustainable Buildings.” Techniques shall include but not be limited to the following:

- Intergraded Design – Use collaborative, integrated planning and design process.
- Commissioning – Employs practices tailored to the size and complexity of the building and its system components to ensure design requirements are met.
- Energy Efficiency – Establish building performance targets that take into account the intended use, occupancy, operations, plug loads, other energy demands and design to earn ENERGY STAR rating.
- Measurement and Verification – Per Energy Policy Act of 2005 Section 103, install building level metering for electricity, natural gas, steam and water.
- Benchmarking – Compare actual performance data for the first year of operation with energy design targets by using ENERGY STAR Portfolio Manager.
- Indoor Water –Employ strategies in the design that aggregate use a minimum of 20% less potable water.
- Outdoor water – Use water efficient landscape and irrigation strategies.
- Enhance Indoor Environmental Quality through proper ventilation, moisture control, day lighting, and low-emitting materials.
- Reduce Environmental Impact of Materials – Recycle construction content, use environmental friendly products.

Attachments/Uploaded Files

Attachments/Uploaded Files

Below you can review and download all the files that have been attached or uploaded as part of this business case.

Attached/Uploaded Files for this Business Case:

Name	Upload Date	Size (Kb)	Description	Section	Page
Construct Outpatient Mental Health Building 2014 Minor and NRM Cost Estimating Worksheet.xlsx	04/23/2014	22	Mental Health Cost Estimate	Overview	Total Required Funding
OSHA Letter.pdf	04/23/2014	142	OSHA Letter	Improve Safety/Security	Safety/Compliance
Funding for Enhanced Mental Health Staffing FY 2012 and 2013.pdf	04/23/2014	202	R-19 Initiative	Increasing Access	Support Structures
Universal CEA Template Mental Health.xlsx	04/23/2014	1932	Universal CEA Template - Mental Health	Ensure Value of Investment	Best Value Solution

Reference Documents

Reference Documents

Cost Estimate Sheet Links

Links to the cost estimate sheet emplates can be found on the Overview tab, Total Required Funding question.

Cost-effectiveness Analysis (CEA) Template Links

- A. [10-year CEA](#) - use for minor construction; Inflation rate 2.0%; Discount rate 3.0%
- B. [15-year CEA](#) - use for minor lease, depending on lease term; Inflation rate 2.0%; Discount rate 3.6%
- C. [20-year CEA](#) - use for minor lease, depending on lease term; Inflation rate 2.0%; Discount rate 3.6%
- D. [30-year CEA](#) - use for major construction and major lease; Inflation rate 2.0%; Discount rate 3.9%
- E. New CEA Template - can be used for all project types by all Administrations; rates set in template

Information Documents Links

- A. CEA template training slides (under construction)
- B. [Lease information](#)
- C. [Lease Cost Est Template](#) (choose file named BC Link 2016 - Lease Cost Est Template.xlsx)
- D. [Non-recurring maintenance \(NRM\) definiitons](#)
- E. [VA 2014 - 2020 Strategic Plan](#)
- F.