

FY 2020-21 Capital Construction Supplemental Request

Human Services

Grand Junction Regional Center Campus Relocation and Closure

Motion:

Approve the supplemental request from the Department of Human Services for the Grand Junction Regional Center Campus Relocation and Closure (\$1,470,000 CCF), and to extend spending authority for the project to June 30, 2024.

GENERAL INFORMATION

2018-030

1. Which supplemental criterion does the request meet?

Unforeseen Contingency

After multiple program plans estimated the project cost at greater than the project's appropriation, resulting in reducing the project's scope, a contractor estimated an additional \$ 1.4 million would be needed to complete the project. The department says the cost overruns result from a changing client population, regulatory requirements, site acquisition difficulties, and cost inflation since the original project request and assessment.

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

No emergency restriction is required because the request is occurring during the legislative session.

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

Yes

PRIOR APPROPRIATION AND SUPPLEMENTAL REQUEST INFORMATION

The appropriation to be amended was authorized in the following bill: HB 18-1322

<u>Fund Source</u>	<u>Prior Appropriations</u>	<u>Supplemental Request</u>	<u>Future Requests</u>	<u>Total Cost</u>
CCF	\$2,336,591	\$1,470,000	\$0	\$3,806,591
CF	\$1,174,750	\$0	\$0	\$1,174,750
	\$3,511,341	\$1,470,000	\$0	\$4,981,341

REASON FOR SUPPLEMENTAL REQUEST

Initial program planning for the project in 2018 estimated the total project cost at \$7.4 million, not including key elements such as site acquisition, design, and equipment, or costs associated with the scope of the original project for remodeling and relicensing two existing group homes to achieve Intermediate Care Facility (ICF) status, and remodeling a third group home. A subsequent program planning and rescoping effort brought the project cost down to \$5.1 million, still greater than the original \$3.5 million appropriation. In January 2021, a contractor hired by the department estimated the cost of constructing a pair of 3,914 square foot ICF group homes on a 2.4-acre parcel recently purchased by the department at \$3.9 million. About \$2.5 million remains of the original appropriation after remodeling two existing group homes and design of the new ICF homes, which the department says is insufficient to construct two homes in any configuration. According to the department, the supplemental request must be approved before it can proceed with construction, since State Building Program protocols require that the project be feasible within allocated funding. The department further explains that construction of the two new homes will accommodate the remaining 11 residents at the Grand Junction Regional Center (GJRC), thus facilitating the center's mandated closure.

FY 2020-21 Capital Construction Supplemental Request

Human Services

Grand Junction Regional Center Campus Relocation and Closure

Motion:

Approve the supplemental request from the Department of Human Services for the Grand Junction Regional Center Campus Relocation and Closure (\$1,470,000 CCF), and to extend spending authority for the project to June 30, 2024.

SUMMARY OF PROJECT

In association with the closure of the Grand Junction Regional Center campus, the project: (1) constructs two new, six-bedroom, six-resident homes in Grand Junction to provide ICF services to be operated by the state; (2) relicenses two state-owned homes in Grand Junction to be operated by the state; and (3) investigates the potential for a public/private partnership to lease a group home located on 29 Road to a private provider, and if an agreement is reached, renovates the home. Senate Bill 16-178 directed the department to vacate the GJRC campus and to transition residents to new homes. Since project initiation, the two state-owned homes have been remodeled and relicensed, and the department sold the group home on 29 Road after determining it was unsuitable for that purpose due to the City of Grand Junction scheduling the road for enlargement and increased traffic. The project includes relocation costs.

An advisory group was created in fall 2016 to determine the best course of action for relocating the GJRC campus residents and to assist the department in developing budget requests associated with the planned closure. The department gave campus residents the choice of moving to other existing regional center facilities in Grand Junction, Pueblo, or Wheat Ridge, or to choose services provided in the community through a Community-Centered Board. All remaining campus residents elected to remain in the Grand Junction area in homes operated by the department, thereby necessitating the construction of new facilities.

The original project request submitted in fall 2017 included five options for moving residents off campus. The department indicated that building six-bed homes affords it more flexibility in staffing.

QUESTIONS / OUTSTANDING ISSUES

None.