



# Capital Grant Technical Assistance Call

**FY 18 Expanding Access to Quality Substance Use Disorder and Mental Health Services (SUD-MH)  
Post-Award Webinar for Recipients**

**One-Time Funding for Minor Alteration/Renovation (A/R) Activities**

*Friday, October 12, 2018*

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**Bureau of Primary Health Care (BPHC)**  
**Health Resources and Services Administration (HRSA)**



# Agenda

- Announcements and Reminders
- Objectives
- Presentation Topics
  - Minor A/R overview
  - Allowable versus Unallowable Activities
  - Capital Update timeline and documentation
  - Terms, Conditions and Reporting Requirements
  - One-time funding activity changes
- Q&A Session

# Announcements and Reminders

- General Announcements
  - Submission Deadlines Extensions – submitted through EHB in grant folder.
- Capital Websites:
  - <https://bphc.hrsa.gov/programopportunities/fundingopportunities/capdev.html>
- Health Center Program Support - 877-464-4772  
<https://www.hrsa.gov/about/contact/bphc.aspx>
- Contact [BPHCCapital@hrsa.gov](mailto:BPHCCapital@hrsa.gov) with specific issues/questions



# Objectives

## SUD-MH One-Time Funding for Minor A/R Activities

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1. Clearly define the use of one-time funding for minor Alteration/Renovation (A/R) activities
2. Optimize project timeline planning
3. Understand minor A/R requirements (i.e., prior approvals, terms, conditions, and reporting requirements)



# SUD-MH One-Time Funding for Minor A/R Activities

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## Overview

### Allowable vs. Unallowable Activities



# SUD-MH One-Time Funding for Minor A/R Activities

## Overview

- *SUD-MH purpose: To support implementation and advancement of evidence-based strategies to:*
  - Expand access to quality integrated substance use disorder (SUD) prevention and treatment services, including those addressing opioid use disorder (OUD) and other emerging SUD issues, to best meet the health needs of the population served by the health center; and/or
  - Expand access to quality integrated mental health services, with a focus on conditions that increase risk for, or co-occur with SUD, including OUD.
- One-time funds may be used to renovate space (clinical, administrative, etc.) and converting offices, storage, etc. for use that supports the SUD-MH purpose.
- May not propose construction of a new building, a modular building, a building addition, complete demolition of an existing building or the creation of a new parking lot.



# SUD-MH One-Time Funding for Minor A/R Activities

## Allowable Minor A/R Activities

### ALLOWABLE ACTIVITIES

- ✓ Reconfigure space to facilitate co-location of SUD, mental health, and primary care services teams.
- ✓ Create space to deliver virtual care that supports accurate clinical interviewing and assessment, clear visual and audio transmission, and ensures patient confidentiality.
- ✓ Create or improve spaces for patients to participate in counseling and group visit services, and to access and receive training in self-management tools.
- ✓ Modify examination rooms to increase access to pain management options, such as chiropractic, physical therapy, acupuncture, and group therapy services.

# SUD-MH One-Time Funding for Minor A/R Activities

## Unallowable Minor A/R Activities

### UNALLOWABLE ACTIVITIES

- Rent, mortgage payments, refinanced credit facilities.
- Costs related to Electronic Health Records (EHR) ongoing operations, and maintenance.
- Pre-construction (architectural and engineering) costs incurred prior to 90 days before award date.
- Shell space for future use.
- Hazardous materials remediation/abatement.
- Creation/improvement space for use not consistent with Health Center Program (sect. 330 of PHS Act).
- Leasing movable equipment.
- Purchasing equipment for a site other than site proposed in application.
- Land and/or facility purchase.
- Project financing costs (financial assessments, loans, mortgages).

## Prior Approval Process

# SUD-MH One-Time Funding for Minor A/R Activities

## Prior Approval Process

- **Notice of Award includes requirement to obtain prior approval from HRSA before implementing minor A/R activities.**
- **Prior approval request type: “Capital Update.” (formal submission of information detailing proposed minor A/R activities)**



# SUD-MH One-Time Funding for Minor A/R Activities

## Prior Approval Process

### CAPITAL UPDATE SUBMISSION CONTENTS

- In the H80 grant folder in EHB, select Prior Approval, and then submit these documents under the Capital Update REQUEST TYPE:
  1. Alteration/renovation budget justification
  2. Schematic drawings; and
  3. Environmental and Information Documentation (EID) checklist.



# SUD-MH One-Time Funding for Minor A/R Activities

## Prior Approval Process: Capital Update Timeline

1. Submission of complete Capital Update in EHB
  - Request will be received in H80 grant folder;
  - Capital Project Officer will be assigned to begin review;
2. Reviews in EHB – 30 days
  - Capital PO reviews submission and may Change Request submission if additional information is needed;
  - HRSA contractors responsible for architectural/engineering (A/E) reasonableness and NEPA/NHPA technical reviews will contact recipients directly, when needed;
  - Grants Management Specialist reviews budget and issues NoA
3. Approval may add conditions on award



# SUD-MH One-Time Funding for Minor A/R Activities

## Prior Approval Process: A/R Budget Justification - Introductory Narrative

This application proposes minor alteration and renovation at our existing Healthy People Centers - East Clinic service site. The project proposes to renovate 1,300 square feet while increasing the overall clinic space by 900 SF by leasing additional adjacent space in the building. The work will include replacement of cabinet and adding sinks to four (4) exam rooms, replacement of waiting room carpeting and expanding our conference room while adding a small kitchenette to the larger space. The larger conference room will allow for group counseling and education sessions for patients and staff. The project also includes minor cosmetic work, including new painting and flooring in our counseling rooms. The lighting will be replaced to provide energy efficient lighting in the renovated areas. In addition, clinical and non-clinical equipment will be purchased.

Our estimated schedule will have renovation related activities beginning within 60 days of obtaining all HRSA approvals and issuance of the building permit. The project will be completed within 8 months after the work begins.

The total cost of the project is \$195,000. This SUD-MH application requests \$150,000 in one-time funding to cover a portion of the renovation and equipment costs. The balance of \$45,000 will be paid using non-Federal funds available on hand and from private contributions.

- Impacted square footage
- Number and type of rooms
- Start and end date
- Total project cost
- Balance of funds



# SUD-MH One-Time Funding for Minor A/R Activities

## Prior Approval Process: A/R Budget Justification – Cost Categories

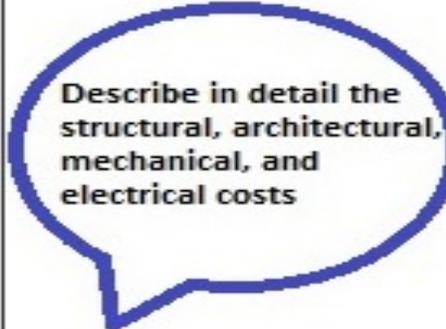
	ALLOWABLE COSTS - CARE	UNALLOWABLE COSTS
1— Administrative and legal expenses	\$8,625 to pay HPC's administrative staff costs for project management.	
2—Land, structures, right-of-way, appraisals, etc.	N/A	
3—Relocation expenses and payments		\$1,000 to move existing equipment and furnishings to completed spaces.
4— Architectural and engineering fees	\$21,000 for the architectural and engineering fees, which will cover the following: design development services, architectural, structural, mechanical electrical, and plumbing design; bid renovation/construction documents (plans and specifications); and assistance during the bidding (answer questions presented by the contractors) and project services.	
5—Other architectural and engineering fees	N/A	
6—Project inspection fees	\$6,000 for project inspection fees. The inspections will be conducted in accordance with the local Department of Public Works standard and building codes.	
7—Site work	\$4,500 for modifications to the concrete curb and sidewalk to improve handicapped access at the entrance	
8—Demolition and removal	\$5,000 for removal and disposal of interior partitions, flooring, fixed cabinets, and ceilings and materials in the interior of the existing building.	\$1,000 for abatement of asbestos insulation on existing steam pipes in ceiling

- Cost category examples
- Admin/Legal Fees
- Architect/Engineering Fees
- Minor Site Work
- Interior Demolition/Removal



# SUD-MH One-Time Funding for Minor A/R Activities

## Prior Approval Process: Budget Justification – Describe A/R work

<p>9— Construction related activities (alteration, renovation or repair only)</p>	<p><b>\$99,600</b> to renovate approximately 1,300 square feet of existing space.</p> <p>This renovation cost is derived from the following cost breakdown: structural (\$14,000), architectural (\$55,000), mechanical (\$10,600), and electrical (\$20,000).</p> <p>The structural cost of \$18,000 is comprised of the following: creating openings in the existing interior walls, wall bracing, supports and minor modifications to the existing structure.</p> <p>The architectural cost of \$108,500 is comprised of the following: carpentry, concrete patching work for plumbing; metals (aluminum railings and handrails); woods and plastic (installed cabinets &amp; casework, shelving, table counter tops); (20) doors and interior windows (10) metal windows, aluminum doors and frames, high moisture frames, wood doors, door hardware; and finishes (ceiling suspension, gypsum board (wall partitions) on metal or wood framing, ceramic tiles, acoustical ceiling, resilient flooring, (1000) sf of tile flooring carpet, resilient wall base and accessories, and painting).</p> <p>The mechanical cost of \$10,600 covers 1ea (3) ton air-handler and compressors system replacement, new exam room sinks, kitchenette plumbing and minor relocations of piping and ductwork to accommodate the revised layout; includes the following: water and piping systems (plumbing fixtures and equipment- water closet, sinks, hot water storage tank, electric water heater); hot and cold water, and piping</p>	 <p>Describe in detail the structural, architectural, mechanical, and electrical costs</p>
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- Example language Line 9 Construction Costs
- Provide as much detail as you have available
- List all of the proposed work

# SUD-MH One-Time Funding for Minor A/R Activities

## Prior Approval Process: Schematics

- Existing/demolition floor plan, and new floor plan.
- Include room dimensions, room labels, name & address of project, etc.
  - Interior dimensions preferably drawn to scale for renovation projects.
- For partial renovation projects, plans should provide clear distinction of the proposed renovated area from the existing spaces to remain.
- If minor site work costs are in the budget, then provide a site plan (including the square footage impacted).



# SUD-MH One-Time Funding for Minor A/R Activities

## Prior Approval Process: Environmental Information and Documentation Checklist

- Recipient compliance with National Environmental Policy Act of 1969 (NEPA).
- NEPA Act includes environmental impacts, ground disturbance, hazardous waste treatment, flood plain management and other potential impacts.
- National Historic Preservation Act (NHPA) includes historic and cultural impacts. Sites older than 50 years are required to consult with State Historic Preservation Office.
  - NEPA/NHPA conditions must be lifted prior to initiating any A/R activities.
  - Changes may affect compliance – please contact Capital team.
  - Visit <https://bphc.hrsa.gov/about/nepa-nhpa/capital-development.html>



# SUD-MH One-Time Funding for Minor A/R Activities

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**Terms and Conditions**  
**Reporting Requirements**  
**Activity Changes**  
**Roles**



# SUD-MH One-Time Funding for Minor A/R Activities

## Terms and Conditions – Minor A/R

- NoA approving Capital Update may place additional conditions & reporting requirements on the SUD-MH supplemental award.
- Respond to all submissions in a timely manner to comply with the requirements.
- SUD-MH Award Recipients **cannot begin** any alteration or demolition activity until all conditions on the NoA **are officially lifted**.
- Condition is lifted only when a new NoA is issued.



# SUD-MH One-Time Funding for Minor A/R Activities

## Terms and Conditions – Minor A/R

- Revised Budget, Revised Schematics - will only be applied where information is not clear and complete.
- NEPA/NHPA – to allow for review of additional environmental information concerning minor A/R activities



# SUD-MH One-Time Funding for Minor A/R Activities

## Terms and Conditions – Minor A/R

### NEPA/HP Condition

Most A/R activities will include conditions for **environmental and/or historic preservation reviews** and compliance with Federal laws.

- Do not begin A/R or draw down funds for demolition, site preparation, or construction activities until approved and lifted.
- Please plan accordingly in project schedules.
- Section 106 consultation undertakes a minimum of a month to prepare, and Environmental Assessments may take a few additional months to prepare, review, and distribute for public comment.
- Award recipients should work closely with the Capital Team and Environmental Reviewer.



# SUD-MH One-Time Funding for Minor A/R Activities

## Terms and Conditions – Minor A/R

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NEPA/HP Condition continued

### Environmental Review Conditions may include:

- Section 106 of the NHPA with the State Historic Preservation Officer (SHPO) / Tribal Historic Preservation Officer (THPO) consultation;
- Environmental Information Documentation (EID) Checklist;
- Hazardous materials survey;
- Coastal zone management; and
- Floodplain management

Technical assistance for environmental and historic preservation requirements is available at <http://bphc.hrsa.gov/policiesregulations/capital/environmentandhistoric/capitaldevelopment.html>.



# SUD-MH One-Time Funding for Minor A/R Activities

## Reporting Requirements

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- Project Implementation Certification
- Project Completion Certification
- Photographs

# SUD-MH One-Time Funding for Minor A/R Activities

## Activity Changes

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- Project Footprint Addition/Expansion or Reduction
- Schematic Floor Plan/Layout of Spaces
- Site Plan/Exterior Work
- Project Type: Alteration/Renovation to Equipment
- Site Relocation



# SUD-MH One-Time Funding for Minor A/R Activities

## Roles: GMS, and H80 and Capital Project Officers

GMS	H80 Project Officer	Capital Project Officer
<ul style="list-style-type: none"><li>• Annual Federal Financial Reports</li><li>• Tangible Personal Property (SF 428)</li><li>• Revised Budget</li></ul>	<ul style="list-style-type: none"><li>• Initial in-take Capital Update</li><li>• Carryover Requests</li><li>• All other terms, conditions, reporting requirements</li></ul>	<ul style="list-style-type: none"><li>• Capital Update review</li><li>• Revised Budget</li><li>• Revised Schematics</li><li>• NEPA/NHPA</li><li>• Project Implementation Certification</li><li>• Project Completion Certification</li><li>• Photographs</li></ul>



# SUD-MH One-Time Funding for Minor A/R Activities

## Review

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- Minor A/R Allowable versus Unallowable Costs
- Capital Update timeline and documentation
- Terms, Conditions and Reporting Requirements
- One-time funding activity changes
- Q&A Session



# SUD-MH One-Time Funding for Minor A/R Activities

## Q& A Session

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# Q & A Session



# Thank You!

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