

## BUILDING



Contractors work on the exterior of the new research building, one of many on the campus of the Aurora, Colo., Replacement Medical Center.

PROVIDED BY HARRY E. WEDDINGTON/USACE

# HEALING A HOSPITAL PROJECT

Denver's new Department of Veterans Affairs health center seemed doomed until the Corps stepped in

By Matt Alderton

**T**HE CONSTRUCTION SITE BUZZES with activity and the noise of hundreds of workers completing their mission. Just a few years ago, however, those familiar with the project gazed on the U.S. Department of Veterans Affairs' Replacement Medical Center in Aurora, Colo., and saw idle cranes and abandoned bulldozers dotting the 31-acre site. In December 2014, construction ceased for several weeks at the culmination of a contentious legal battle between the VA and general contractor, Kiewit-Turner (KT). *The Denver Post* called the project "the biggest construction failure in VA history."

Plagued by cost overruns and schedule delays, what began as a celebrated gift to veterans had devolved into a quagmire disserving them.

But three years later, the massive hospital project is nearing completion under the direction of the U.S. Army Corps of Engineers (USACE), which has been executing it on behalf of the VA since November 2015. In the Corps' hands, the facility has been dramatically recast. Instead of being the department's biggest construction failure, it's now poised to become its most significant turnaround.

## BROKEN BUDGETS, TRUST

Built in 1951, Denver's VA hospital, part of the Eastern Colorado Health Care System, is old and overcrowded. A new, larger

facility is needed to provide optimal care for the 400,000 veterans living in Colorado and surrounding states, and it has been in the works since at least 1995, when the VA began discussing a replacement hospital. Although the agency entertained several proposals over the subsequent decade, none took hold until 2008, when it finally acquired land for a new medical center in Aurora.

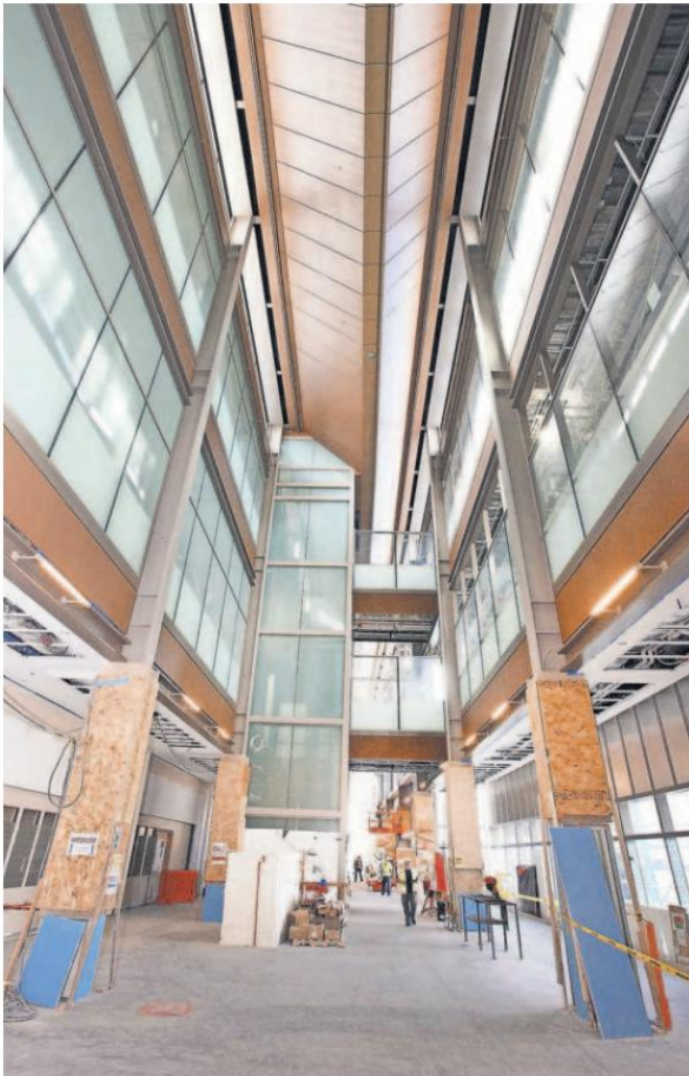
The facility's objective — to provide better care for veterans in a state-of-the-art facility — was simple. Executing it was not. While early estimates placed the cost at \$328 million, prices rose unfettered during the design process. And although a new construction budget of \$604 million was established before work started in 2011, gaps persisted between design and cost, so much so that KT sued the VA for breach of contract in 2013, accusing it of providing a design that could not be built within budget and instead would cost more than \$1 billion. When a court ruled against the VA in December 2014, KT temporarily suspended work. Eventually, the project resumed under the condition that the VA relinquish its management of the construction to USACE.

Rebuilding trust was necessary to continue the work, explained Dennis Milsten, associate executive director of the operations office in the VA Office of Construction and Facilities Management. The Corps was chosen, he said, to be a

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This quarter-mile long concourse in the new hospital will serve as a central connector for clinic buildings, diagnostic and treatment centers, a chapel and more.

PROVIDED BY HARRY E. WEDDINGTON/USACE; USACE

neutral and unifying force that could heal the rift between KT and VA. "The Corps ... spent about a year side-by-side with us while construction continued before they took over ... We see the results of that today in the progress that's being made."

## CORPS COMPETENCY

Although the project's budget ultimately ballooned to \$1.675 billion, having a clear financial baseline and realistic scope helped the Corps succeed where the VA fell short. The hospital is now 90 percent complete and on track to be finished by January 2018.

But turning things around wasn't easy. Originally expected to be finished in 2013 and opened in 2014, the hospital was only 50 percent complete when USACE joined the project at the end of 2014. To get things back on track, the Corps formed a series of seven building teams that worked closely with KT and VA on-site. One team oversaw the overall project, while the remaining six tackled the individual buildings on the hospital campus, including two inpatient buildings, three outpatient clinic buildings and a research building, a diagnostic and treatment center, an energy center and three parking garages.

Treating each building as its own mini project eliminated bottlenecks and increased communications, officials said.

"KT and their subcontractor were really good at building things, as long as they had someone out in the field with them day in and day out to answer questions and handle the administrative stuff that working on government contracts adds to the construction process," said Peter Sturdivant, chief of the construction division in the Corps' Omaha District and the project's senior resident engineer.

"Sending building teams out into the field to work with and alongside the folks from KT enabled real-time decision-making

to keep construction moving forward."

Just as critical as real-time decision-making was the tone the Corps set.

"I think what really helped us on this project is keeping the veteran in mind. We're building these facilities for veterans who desperately need them," Sturdivant said. "Rather than dwelling on the past — whether there were hurt feelings between the VA and the contractors — we looked forward and said, 'What are we going to do today to finish this project for our vets?'"

## 'A PRODUCTIVE RELATIONSHIP'

When it's complete, the new hospital will contain 148 beds and total 1.2 million square feet. It will feature a spinal cord injury clinic, dedicated mental health care

floor, therapy pools, research labs and more. But the relationship between VA and USACE isn't likely to end with the ribbon-cutting of the sparkling new hospital.

"We've built a team of teams with the VA, and I look forward to future opportunities where we can partner with them in order to provide infrastructure that serves our nation's veterans," said Ted Streckfuss, deputy district engineer in the Omaha District.

Such opportunities are already evident, according to Milsten, who said VA currently has 13 projects in its pipeline on which it will collaborate with the Corps. Lessons learned, he added, will ensure the mistakes made in Aurora are never repeated.

"The Corps of Engineers is becoming a solid business partner of the VA," he said. "It's been a productive relationship that's going to advance a lot of our projects and give us the opportunity to see how another federal agency handles quality management, their modification process and their construction operation process so we can take those lessons and apply them to the projects we execute ourselves."

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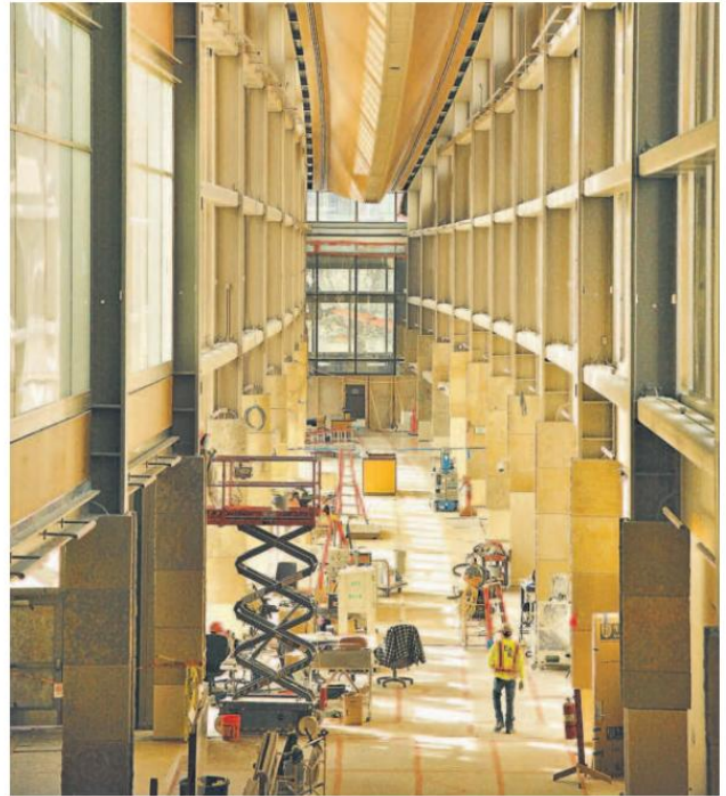
— Peter Sturdivant,  
construction division chief,  
USACE Omaha District

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## BUILDING



A **covered bridge** and long concourse will connect many of the buildings that make up the new medical center. The reception area of Clinic Building North, below left, which houses patient services including a large audiology clinic, will help welcome visitors.



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## ABOUT TIME...

Work began in 2011 on a new U.S. Department of Veterans Affairs medical facility to replace the 60-year-old Eastern Colorado Health Care System in Denver. The journey to complete the replacement health care facility, located in nearby Aurora, Colo., and expected to open in 2018, has been long and anything but easy.

