

2005 STATE APPROPRIATION REQUEST: \$12,600,000

AGENCY PROJECT PRIORITY: 2 OF 5

PROJECT LOCATION:

Project At A Glance

- ◆ Develop secure skilled nursing home bed capacity (50-beds) for individuals committed to the Forensic Division of State Operated Services or sentenced to the Department of Corrections, which because of age and/or illness require skilled nursing home accommodations.
- ◆ Funds for design, construction and purchase of furnishings, fixtures and equipment are requested during the 2005 Legislative Session with construction beginning in the summer of 2006 with completion in late 2007.

Project Description

This request is for funds to plan, design and construct a new secure skilled nursing facility for State Operated Services Forensics Division. This facility will be used to provide services to individuals committed as sexual psychopathic personalities (SPP), sexually dangerous persons (SDP), and persons committed as mentally ill and dangerous (MI&D), which because of age or illness require skilled nursing home services. It will also be used to serve offenders under the custody of the Department of Corrections who are placed on release status due to the need for nursing home level of care. The proposed capacity of these new facilities is 50 beds.

This project proposes constructing new facilities for the forensic nursing home. At the time of this writing this project is not site specific. State Operated Services is developing a review process to evaluate possible locations. This process will evaluate such criteria as local clinical resources, public safety and security issues, overall impact to the state budget, staffing requirements and resource availability.

This forensic SNF facility could be located at any of the existing RTCs. However, this request does not include funds for upgrading or developing

new dietary and/or power plant services. Subsequently, since not all of the RTC facilities have dietary services and/or power plant services which can appropriately meet the long-term needs of this new facility, additional funds will be required if one of the facilities lacking the dietary and power plant capacity is chosen for the Forensic SNF. This could add over a million dollars to the request, and also increase related operating expenses for the life of the project.

Projected construction costs reflect the design criteria needed to meet skilled nursing facility requirements with added security measures to address public safety issues associated with the proposed patients.

If approved, this request will fund the development of working drawings, construction administration, construction, furniture, fixtures and equipment and other occupancy costs associated with the project, including a project contingency, data and voice communications, specialized security systems, etc.

Background

Growth rates for the MSOP are projected to range from 1.8 to 36 per year. Growth rates for the MSH are projected to range from 5 to 12 per year. Growth in the forensic nursing home population is projected to be 5 per year.

The long term nature of the forensic programs means that as the overall populations of MSOP and MSH increase, so will the number of patients requiring skilled nursing services. This combined with the policy of providing secure facilities for the growing number of geriatric inmates requiring skilled nursing care from the Department of Corrections, requires the state to implement a plan to develop these secure SNF facilities this year.

The nature of this population is very volatile. The recent increase in the rate of admissions over discharges indicates that the program may exceed earlier projections that this specialized population would range around the 25 bed level over the next 3 to 4 years. Accordingly, to ensure adequate skilled nursing home bed capacity is available for this

**HUMAN SERVICES, DEPARTMENT OF
Forensic Nursing Facility**

**Project Detail
(\$ in thousands)**

TOTAL PROJECT COSTS All Years and funding Sources	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	Total
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	62	0	0	62
3. Design Fees	0	1,017	0	0	1,017
4. Project Management	0	198	0	0	198
5. Construction Costs	0	10,171	0	0	10,171
6. One Percent for Art	0	102	0	0	102
7. Relocation Expense	0	0	0	0	0
8. Occupancy	0	450	0	0	450
9. Inflation	0	600	0	0	600
TOTAL		12,600	0	0	12,600

CAPITAL FUNDING SOURCES	Prior Years	FY 2004-05	FY 2006-07	FY 2008-09	TOTAL
State Funds:					
G.O. Bonds/State Bldgs	0	12,600	0	0	12,600
State Funds Subtotal	0	12,600	0	0	12,600
Agency Operating Budget Funds	0	0	0	0	0
Federal funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	12,600	0	0	12,600

CHANGE IN STATE OPERATING COSTS	Change in State Operating Costs (Without Inflation)			
	FY 2004-05	FY 2006-07	FY 2008-09	Total
Compensation – Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expense	0	0	0	0
NonState-Owned Owned Lease Expense	0	0	0	0
Expenditure Sub-Total	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0	0	0	0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	12,600	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill	
Yes	MS 16.B335 (1.a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign review Required (by Administration Dept.)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
No	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2010

RENOVATION OF EXISTING BUILDINGS

Scope of work: Renovate existing buildings for use as a secure nursing facility for the Forensic Program. Will generally require a complete building gutting to meet current licensing regulations and building, mechanical, electrical and fire codes.

Siting: Potential single story buildings are located at St. Peter, Anoka, and Willmar. Potential multi-storied buildings are available at Brainerd and Ah-Gwah-Ching.

Projected Capital Cost: The preliminary cost estimate to design, remodel (and possibly expand) and equip an existing building(s) for a new 50-bed secure nursing facility for the forensic population could range from \$1 million to \$11 million depending on the building(s) utilized.

Anoka – Upgrade 2 units in the new Anoka facility - \$1 million.

Willmar* – Upgrade MTC Building - \$3 to 4 million.

St. Peter – Remodel Building #25 - \$8 million

Brainerd* – Remodel Building #22 - (2 story building for 50+ beds) \$9.5 million

Ah-Gwah-Ching* – Remodel #20 – (4 story building) \$10 million

Fergus Falls – No available buildings deemed appropriate for this program.

NOTE: Use of existing buildings at Willmar, Brainerd and Ah-Gwah-Ching may not fit with comprehensive campus redevelopment plans currently being developed by local government entities and the State.



Capital Bonding Requests– 2005

Faribault Expansion (\$84.8 million Phase I)

- Expansion – add 701 beds for a total capacity of 1,927 beds at MCF-FRB (current capacity 1,126).
- Three new 416-bed housing units, food service dining facility, and health services.
- To improve security and safety for offenders, staff, and the public.
- Per diem reduction – MCF-Faribault per diem would be reduced by approximately \$20.
- Asset Preservations Savings - \$30 million in saving through remodeling, replacement, or abandonment of obsolete buildings and infrastructure systems.
- Phase II will add another 359 beds bringing the total facility capacity to 2,286

Stillwater 150 Bed Segregation Unit (\$20.9 million)

- New segregation unit will be more secure and safe for staff and offenders.
- Design to dramatically improve sightlines and reduce areas difficult to observe and monitor.
- Improve accessibility to each cell to lessen the potential of staff injury.
- Facility per diem costs will be lowered.
- Construction to comply with applicable American Corrections Association (ACA) Standards.

Asset Preservation (\$11 million)

- Tuckpointing
- Re-roofing
- Emergency lighting
- Window replacement
- Asbestos abatement

Challenge Incarceration Program (\$380,000)

- Expand Program by 24 beds.

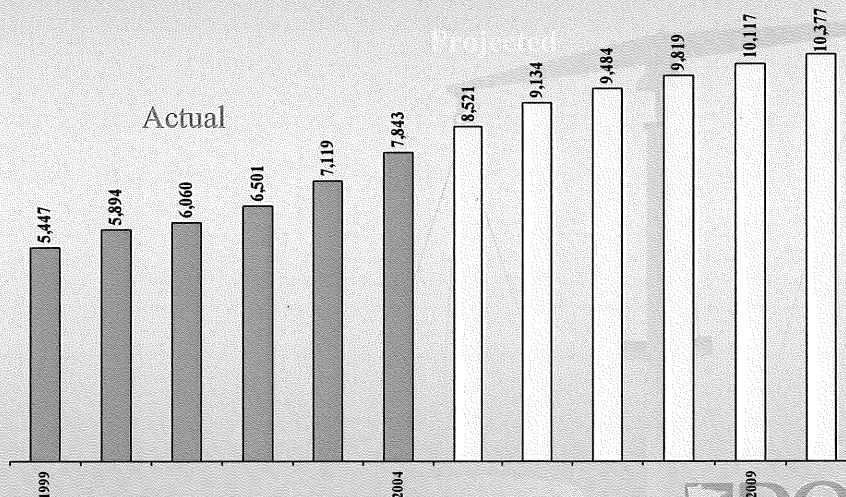
Minnesota Department
of Corrections

Capital Bonding Projects

2005



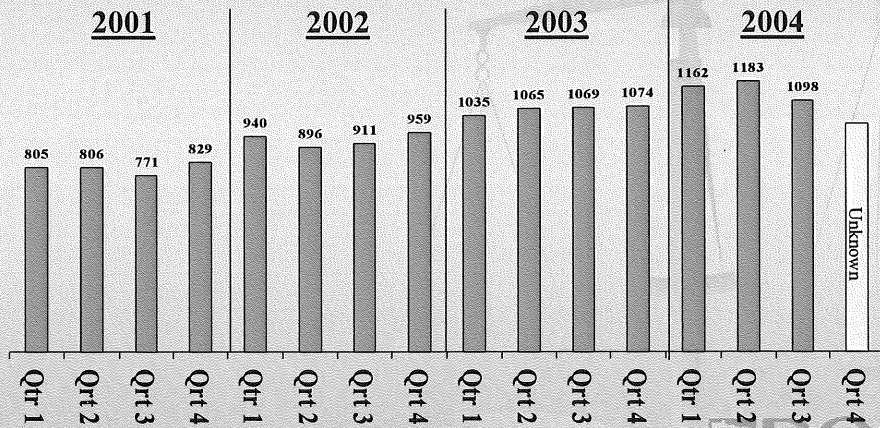
Prison Population Projections



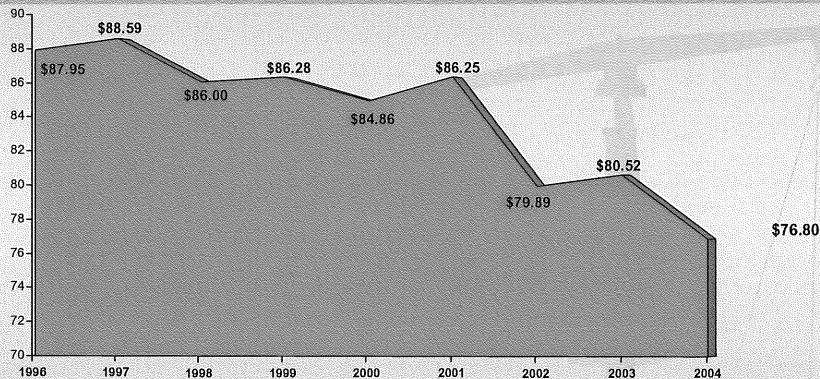
Note: Actual prison population housed in a DOC facility or rented private/public bed.



New Court Admissions



Minnesota Department of Corrections Facility Per Diem 1996 - 2004



- The 2004 per diem is \$76.80
- Between 1996-2004 the per diem decreased 12.5%
- If per diem kept pace with inflation, it would be \$106.47 (CPI = 21.06%)

Capital Bonding Requests

- \$84.8 million → Expansion at Faribault facility that increases the capacity, security, and operational efficiency, while reducing asset preservation needs.
- \$11.0 million → Asset preservation (tuckpointing, windows, roofs, emergency lighting, etc.)
- \$20.9 million → Construction of new 150 bed segregation unit at Stillwater
- \$380,000 → Expanding the Challenge Incarceration Program by 24 beds



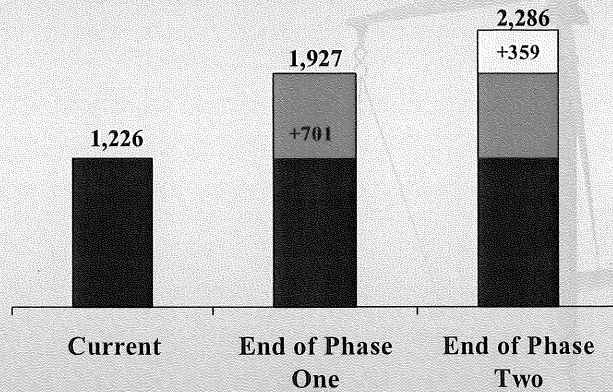
Faribault Expansion - Summary

- Adds 1,060 beds, nearly doubling the facility population
- Adds only 40 percent more staff
- Facility per diem reduced by more than \$10
- Agency per diem will drop by approximately \$8

The agency overall per diem reduction is based on All 2005 bonding initiatives being funded and completed



Faribault Expansion – Increased Beds



Operational Efficiencies

The design of correctional facilities has a direct effect on operational costs.

- Identifying and replacing inefficient inmate housing units to reduce staffing needs.
- Improving surveillance/security technology to reduce staffing needs
 - Increases staff and offender safety
- Replacing inefficient infrastructure system to reduce utility costs



Asset Preservation Savings

- Renovation of existing power plant
- Demolition of 20 buildings
- Elimination of utility tunnels



Deteriorating electrical system

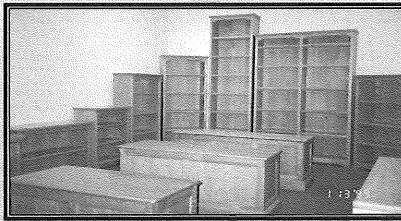
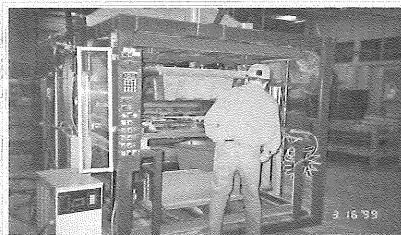
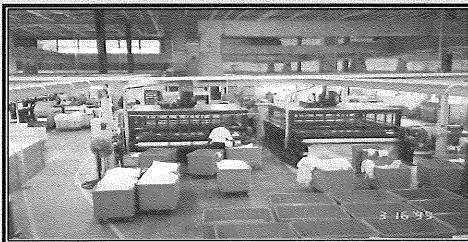


Loader fell through tunnel roof



Keeping Inmates Productive

Increase current programming assignments



Faribault

Phase 1 – Expansion

2004-2006

\$84.8 million dollars

- Construct three 416-bed living units
- Centralize food service
- Expand health services
- Renovate minimum-custody and program buildings
- Demolished unused buildings
- Expand level 3 fence around minimum
- Renovate power plant



Faribault

Phase 2 – Expansion

2006-2008

\$38.166 million dollars

- Construct two 416-bed living units
- Remodel program buildings
- Demolish unused buildings

Inflation Increase Unknown



Faribault Expansion vs Contracting

February 6, 2004

	<u>Faribault</u>	<u>Contracting</u>
Base Per Diem	\$ 29.83	\$ 58.36
Central Health Care Costs	\$ 6.71	\$ 6.68
Inmate Support	\$ 4.50	\$ 3.89
Adverse Impact	\$ 0	\$ 2.91
Marginal Per Diem	\$ 44.06	\$ 71.84
Total Beds	<u>1,060 beds</u>	<u>1,060 beds</u>
Yearly Costs	17 million	27.8 million

- Annual operating savings for the first 30 years is \$10.8 million.



Stillwater

150 Bed Segregation Unit

- New segregation unit will be more secure and safe for both staff and offenders.
- Design to dramatically improve sightlines and reduce areas difficult to observe and monitor.
- Improve accessibility to each cell to lessen the potential of staff injury.
- Facility per diem costs will be lowered.
- Construction to comply with applicable American Corrections Association (ACA) Standards.



Stillwater

Segregation Unit



 **DOC**

Faribault

Other Options Considered

- 1. Renting beds - currently renting private and public beds - would need to utilize out-of-state beds in FY08.**
- 2. Shakopee - Considered for future expansion**
- 3. St. Cloud - Considered for future expansion**
- 4. Rush City - Considered for future expansion**
- 5. Moose Lake - Considered for future expansion**

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