

NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

CORRECTIONAL FACILITY REVIEW COMMITTEE

Tuesday, February 19, 2008
Harvest Room, State Capitol
Bismarck, North Dakota

Representative Chet Pollert, Chairman, called the meeting to order at 9:00 a.m.

Members present: Representatives Chet Pollert, Ralph Metcalf, Alon Wieland; Senators Tony Grindberg, David O'Connell, Bob Stenehjelm

Others present: Ralph Kilzer, State Senator, Bismarck

Dick Dever, State Senator, Bismarck

Jim W. Smith, Director, Legislative Council

See attached [appendix](#) for additional persons present.

It was moved by Senator O'Connell, seconded by Representative Wieland, and carried on a voice vote that the minutes of the January 29, 2008, meeting be approved as distributed.

CORRECTIONAL FACILITY REVIEW STUDY

Chairman Pollert called on Mr. George M. Camp and Mr. Jeff Buck, Criminal Justice Institute, Inc., to present information regarding the [status of the correctional facility review study](#). A copy of the information presented is on file in the Legislative Council office. Mr. Camp said the project continues to remain on schedule.

Mr. Camp said the draft report includes an executive summary in a question and answer format; bullet points identifying findings, conclusions, and

recommendations; and an appendix containing supporting documents.

Mr. Camp said the estimated cost of site work in 2008 dollars ranges from \$8.2 million if the current State Penitentiary is renovated to \$25.8 million for a new facility at the Sunny Farm location. He said site work costs include 20 percent for "soft costs" which includes fees and permits; surveying; information technology and data infrastructure; and furniture, fixtures, and equipment.

Mr. Buck said the construction cost estimates for the replacement and new facility options under consideration address correctional facility needs for the next 20 years. He said the estimates assume construction costs in North Dakota will escalate at an annual rate of 8 percent for the next two or three years. He said construction cost estimates are prepared using cost estimates for the midpoint of the construction period to achieve an average cost of materials.

Mr. Camp said the operating costs for the options are very similar. He said operating costs are based on the Department of Corrections and Rehabilitation's 2007-09 biennium appropriation increased by 2.5 percent each year to estimate the 20-year operating cost for each option. Mr. Camp reviewed the estimated project construction costs, 20-year operating costs, and resulting 20-year life cycle costs for each option as follows:

	Cost Summary for Each Option Using Existing Minimum Security Facility			Cost Summary for Each Option With New Outside Minimum Security Facility		
	Construction	20-Year Operating	20-Year Life Cycle	Construction	20-Year Operating	20-Year Life Cycle
Reuse of existing facility	\$167,830,400	\$621,707,026	\$789,537,426	\$178,539,400	\$599,994,553	\$778,533,953
Replacement facility at:						
State Penitentiary	\$200,232,000	\$588,424,943	\$788,656,943	\$210,148,000	\$563,634,543	\$773,782,543
Missouri River Correctional Center	\$207,578,000	\$588,424,943	\$796,002,943	\$217,494,000	\$563,634,543	\$781,128,543
Landfill site	\$203,917,000	\$588,424,943	\$792,341,943	\$213,833,000	\$563,634,543	\$777,467,543
Airport site	\$199,882,000	\$588,424,943	\$788,306,943	\$209,797,000	\$563,634,543	\$773,431,543
Sunny Farm - Site 1	\$202,888,000	\$588,424,943	\$791,312,943	\$212,803,000	\$563,634,543	\$776,437,543
Sunny Farm - Site 2	\$212,750,000	\$588,424,943	\$801,174,943	\$222,666,000	\$563,634,543	\$786,300,543
Sunny Farm - Site 3	\$210,576,000	\$588,424,943	\$799,000,943	\$220,492,000	\$563,634,543	\$784,126,543

In response to a question from Representative Wieland, Mr. Buck said a 15 percent building gross factor cost has been added to the project cost of each option for the cost of mechanical rooms, corridors, exterior wall thickness, and stairways. He said a 10 percent design contingency cost has been added to each option for the cost of a detailed design plan once an option has been selected.

In response to a question from Representative Wieland, Mr. Buck said the existing power plant could be used for either the renovation option or the replacement facility at the Penitentiary site. He said the existing plant is a coal plant that operates at a lower cost than any system that would replace it. He said the existing plant could also use a biofuel mix which would further lower the cost.

Mr. Buck said the anticipated implementation schedule for the correctional facility project, after a decision is made by the 2009 Legislative Assembly, will allow for construction work to begin in 2010. He said the schedule allows for occupancy of a renovated facility in November 2012 with a cost escalation factor of 24.67 percent or occupancy of a new facility in April 2013 with a cost escalation factor of 27.33 percent. He said the cost escalation factor could drop to 19.33 percent if the project is authorized by August 2008 with construction beginning in 2009 and occupancy occurring at the beginning of 2012.

Mr. Buck said the renovation of the existing facility could be done in phases, but a new facility should be built at one time. He said it is difficult to phase a new facility project and the Department of Corrections and Rehabilitation would incur additional costs operating two facilities. He said construction costs are lower for the renovation plan but operating costs will be higher than for a new facility. He said the renovation plan is not as staff-efficient or energy-efficient as the new facility plan.

In response to a question from Senator Grindberg, Mr. Buck said a previous correctional facility plan developed by HDR Architecture, Inc., identified the urgent needs of the Department of Corrections and Rehabilitation. He said the HDR plan included new medical, reception, segregation, and entry areas and relocated the laundry. He said Phase 1 of the reuse option will include everything in the HDR plan. In addition, he said, Phase 2 of the reuse option will include renovation or expansion of the remaining areas of the existing Penitentiary. He said the reuse option will require the East Cellhouse to remain operational until Phase 2 is completed. He said the reuse or replacement of the Missouri River Correctional Center would be considered in Phase 3 of the reuse option.

Mr. Buck said the \$42 million included in the 2007 executive recommendation for the HDR plan was based on 2004 dollars. He said a 24 percent escalation factor to reflect 2008 dollars would increase the \$42 million to \$52 million. He said an additional 24 percent escalation rate added to the \$52 million to reflect cost increases during the construction phase would result in a total cost of \$64.4 million for the HDR plan. He said the cost is comparable to the estimated \$66.6 million cost for Phase 1 of the reuse plan submitted by Criminal Justice Institute, Inc.

Senator Stenehjem said he is concerned about using a phased approach for the correctional facility project. He said a future session of the Legislative Assembly may not provide the necessary funding to complete the project.

In response to requests from committee members, Mr. Camp said he will provide information relating to savings realized by using an accelerated approach for the project, costs to finance the project, and 20-year operating costs of the Department of Corrections and

Rehabilitation's current facility with no renovation or replacement.

In response to a question from Senator O'Connell, the legislative budget analyst and auditor said based on sales tax revenue projections at the end of the 2007 Legislative Assembly, there would be \$7.7 million available for additional bond payments for the 2011-13 biennium. He said this would allow bonding for approximately \$70 million, based on previous bond issues.

INTERAGENCY AGREEMENT

Chairman Pollert called on Mr. Alex C. Schweitzer, Superintendent, State Hospital, to present information regarding services provided by the Department of Corrections and Rehabilitation for individuals at the State Hospital pursuant to Section 2 of 2007 Senate Bill No. 2136. A copy of the information presented is on file in the Legislative Council office.

Mr. Schweitzer said provisions of Senate Bill No. 2136 require the Department of Human Services and the Department of Corrections and Rehabilitation to enter into an interagency agreement for the provision of safety and security services for the sex offender unit located at the State Hospital. He said personnel from the James River Correctional Center are providing training, consultation, and assistance to the personnel at the sex offender unit. He said the Department of Human Services continues to be responsible for the care and custody of individuals placed for evaluation or civil commitment and treatment at the unit.

Mr. Schweitzer said the warden of the James River Correctional Center has reviewed the safety and security procedures at the sex offender unit and has developed a list of recommendations, including a staff training program, key control program, installation of security windows throughout the unit, and action steps to improve the supervision of clients in the unit. He said other safety and security upgrades the hospital has been working on for the last two years include fire safety measures, door control measures, and proper classification and placement of sex offenders in appropriate treatment and security units. He said the interagency agreement has been beneficial in meeting the goal of safety and security for staff, clients, and the community.

COMMITTEE DISCUSSION

Representative Wieland said the Department of Corrections and Rehabilitation has met accreditation standards primarily due to the hard work of the employees. He said even though the department is meeting accreditation standards, the employees should not have to continue to work in a facility that is not as safe as it should be.

Chairman Pollert said the next meeting is scheduled for Monday, March 3, 2008. He said additional committee meetings are tentatively scheduled for March 24, 2008, and, if necessary,

April 7 or April 9, 2008, for committee consideration of the final report.

No further business appearing, Chairman Pollert adjourned the meeting at 11:25 a.m.

Becky Keller
Fiscal Analyst

Allen H. Knudson
Legislative Budget Analyst and Auditor

ATTACH:1