NORTH DAKOTA LEGISLATIVE MANAGEMENT

Minutes of the

GOVERNMENT SERVICES COMMITTEE

Wednesday, November 13, 2013
Second Floor Boardroom, Learning Resource Center, State Hospital, 2605 Circle Drive
Jamestown, North Dakota
Thursday, November 14, 2013
Second Floor Training Room, Administration Building, James River Correctional Center
2521 Circle Drive
Jamestown, North Dakota

Senator Ronald Sorvaag, Chairman, called the meeting to order at 12:30 p.m. on Wednesday, November 13, 2013, Second Floor Boardroom, Learning Resource Center, State Hospital.

Members present: Senators Ronald Sorvaag, Ron Carlisle, Richard Marcellais; Representatives Roger Brabandt, Glen Froseth, Ed Gruchalla, Rick Holman, Karen Karls, George J. Keiser, Curtiss Kreun, Scott Louser, Gail Mooney, Chet Pollert, Vicky Steiner, Alon Wieland

Member absent: Senator David O'Connell

Others present: See Appendix A

It was moved by Representative Wieland, seconded by Representative Pollert, and carried on a voice vote that the minutes of the August 22, 2013, meeting be approved as distributed.

STUDY OF THE USE OF STRUCTURES AND PROPERTY OF THE JAMES RIVER CORRECTIONAL CENTER AND THE STATE HOSPITAL

Presentation by Representatives of the State Hospital

Mr. Alex Schweitzer, Director, Field Services, Department of Human Services, presented information (Appendix B) regarding programs and services of the State Hospital, including treatment programs, number of patients, average lengths of stay, daily cost per patient, services contracted or shared with the James River Correctional Center (JRCC), budget concerns, land leased out by the State Hospital, and facilities. He said the State Hospital's traditional services average daily population has decreased from 289 patients in 1997 to 104 patients in 2012. He said the acuity levels of the patients have increased over that same time period. He said the number of patients in the secure services unit has increased from 6 in 2008 to 41 in 2012. He said the secure services unit is for treatment of forensic services patients, including sex offenders and addiction clients referred from the Department of Corrections and Rehabilitation (DOCR). He said the State Hospital continues to project future growth in the number of forensic services clients. He said the longest lengths of stay are by individuals in the sex offender program. He said the cost for individuals in the secure services unit is $244.21 per patient per day. He said the State Hospital and JRCC have shared the campus since 1998. He identified services shared or contracted with the JRCC, including:

1. Laundry services (provided by JRCC).
2. Dietary services (provided by JRCC).
3. On-call support for secure services (provided by JRCC).
4. Snow removal/waste removal (provided by the State Hospital).
5. Consultant dietician services (provided by the State Hospital).
6. X-ray services (provided by the State Hospital).
7. Emergency psychiatric services (provided by the State Hospital).
8. Psychology services (provided by the State Hospital).

9. Staff training/staff library services (provided by the State Hospital).
10. Addiction services (provided by the State Hospital).
11. Inmate education (provided by the State Hospital).
12. Central receiving storage and management (provided by the State Hospital).
13. Medical services by physician assistant (provided by the State Hospital).
14. Sharing of infrastructure/utilities (provided by the State Hospital).
15. Residential alcohol and drug treatment for inmates and community offenders from the DOCR system in the Tompkins Rehabilitation and Corrections Center (TRCC) (provided by the State Hospital).

Mr. Schweitzer said the State Hospital is currently utilizing the LaHaug Building and the New Horizons Building for the evaluation and treatment of the State Hospital's traditional population. He said the LaHaug Building has 135,495 square feet and the New Horizons Building has 75,498 square feet, and the two buildings are fully utilized. He said the LaHaug Building is in need of security upgrades. He said the GM Building and the Tompkins Building are utilized for the evaluation and treatment of the State Hospital's adult forensic population. He said the GM Building has 82,670 square feet and the Tompkins Building has 34,660 square feet, and the two buildings are fully utilized. He said the State Hospital has eight cottages--one used by the local Head Start program, two for student interns, two for rental to staff, and three for patient housing and treatment. He said the Learning Resource Center is a 40,800 square-foot building fully utilized for administrative offices, patient programs, and the State Hospital Museum. He said several buildings are used for maintenance of the campus, including a boiler plant and a central receiving building. He said both the State Hospital and JRCC utilize the Employees building, which has 34,345 square feet for rental to employees. He said vacant buildings include the 16 West building (39,990 square feet), the Administration building (24,675 square feet), the Superintendent's residence (5,552 square feet), and the Chapel (13,140 square feet). He said the 16 West building, with renovations, could be used for patient care or as an office building. He said the Administration building serves as an evacuation site in case of a natural disaster in the community, surrounding area, or statewide. He said he does not live in the Superintendent's residence, but it is rented out for certain community events, including weddings. He said the Chapel is utilized on occasion for weddings and funerals.

In response to a question from Representative Keiser, Mr. Schweitzer said the number of referrals to the State Hospital from the Williston and Minot areas has increased. He said the increase has been primarily for substance abuse and domestic violence issues.

Mr. Schweitzer said the State Hospital manages 3,086 acres of land, of which approximately 370 acres are used for the State Hospital campus and the remainder is leased for agricultural use or used for other purposes. He said the State Hospital leases out 2,457 acres, which generates annual income of $175,786.

In response to a question from Representative Keiser, Mr. Schweitzer said the State Hospital provides the opportunity for any farmer, rancher, or other individual to bid on renting the State Hospital's agricultural land.

In response to a question from Senator Sorvaag, Mr. Schweitzer said the State Hospital's tillable land is worth approximately $3,500 to $5,000 per acre, the hay land is worth approximately $1,500 to $2,000 per acre, and the pastureland is worth approximately $1,000 per acre. He said it is his understanding the county does not currently tax the hay land or the pastureland, but the renter pays the property tax on the tillable land, which totals approximately $12,000 per year. He said if all the leased land would be sold, he anticipates it would generate from $4.2 million to $4.9 million.

In response to a question from Representative Pollert, Mr. Schweitzer said the State Hospital currently has one tenant for the hay land and one tenant for the tillable land.

In response to a question from Senator Carlisle, Mr. Schweitzer said the State Hospital needs approximately 500 acres for its operations. He said the rest of the land managed by the State Hospital is held for cash rent and potential future expansion needs.

In response to a question from Representative Keiser, Mr. Schweitzer said potential future expansion of the State Hospital may include the construction of a new hospital building that would be more efficient than the structures currently being used. He said the new structure, if built, should be located on the current State Hospital campus.

In response to a question from Representative Pollert, Mr. Schweitzer said the State Hospital would still manage the sex offender and Tompkins programs in separate buildings if a new hospital building was constructed. He said the new hospital building would be for mental health patients, not including forensic clients. He said the 16 West building would require major renovations in order to be used by the hospital. He said the 16 West building has a new roof and newer windows, but it would require substantial utility work and other indoor renovations.

In response to a question from Representative Keiser, Mr. Schweitzer said a return on investment analysis of the efficiencies gained by constructing a new hospital building has not been done.

In response to a question from Representative Pollert, Mr. Schweitzer said the Administration building is vacant, but there has been an inquiry about using it as a homeless shelter. He said the building would meet the necessary health, safety, and building codes to be used as a shelter.

In response to a question from Representative Brabandt, Mr. Schweitzer said the windows of the Administration building have been replaced in the last 15 years, and the building is in fair condition.

In response to a question from Representative Brabandt, Mr. Schweitzer said current major capital projects at the State Hospital include the reconstruction of a street on the State Hospital campus, the LaHaug Building sanitary system, flooring projects, and an upgrade of the electrical services in the Tompkins Building.

In response to a question from Representative Brabandt, Mr. Schweitzer said necessary renovations of buildings on the State Hospital campus include asbestos abatement and the removal of lead-based paint.

Senator Carlisle suggested the committee receive additional information on property taxes being paid or not being paid on the agricultural land leased out by the State Hospital.

The committee conducted a walking tour of the State Hospital.

The committee recessed at 4:15 p.m. and reconvened at 8:30 a.m. on November 14, 2013, Second Floor Training Room, Administration Building, James River Correctional Center.

Presentation by Representatives of the James River Correctional Center

Mr. Don Redmann, Warden, James River Correctional Center, presented information (Appendix C) regarding center programs, programmatic changes, inmate population, budget concerns, services contracted or shared with the State Hospital, and facilities. He said JRCC opened in 1998 and is a medium security center that houses male inmates. He said the center occupies approximately 10 acres. He said almost 50 percent of the inmate population at JRCC was born in another state. He said the strong state economy is having a negative impact on JRCC's ability to recruit and retain employees. He said JRCC currently has an employee turnover rate of 15 percent for correctional officers.

Mr. Redmann said the age of the JRCC buildings will continue to require repairs and improvements resulting in increasing demands on the budget. He said the ET Building is a six-floor structure with 87,530 square feet. He said the first floor of the ET Building consists of offices for staff and medical services, and floors two through six are used to house inmates. He said the Special Assistance Unit is 27,980 square feet and houses up to 24 inmates. He said the gymnasium has 15,210 square feet and is used for recreation, library, and a card room for inmates. He said Roughrider Industries has a building on the grounds with 11,250 square feet, and it provides work for about 50 inmates in upholstery and cut-and-sew projects. He said the food service operations were transferred from the State Hospital to JRCC in 2003. He said the dining building is 29,700 square feet, and the food preparation area is 22,250 square feet. He said the laundry building (19,600 square feet) was also transferred from the State Hospital to JRCC in 2003. He said the first floor of the laundry building is used to provide laundry services for JRCC and the State Hospital, and the second floor is used for storage. He said a maintenance shop was also transferred from the State Hospital to JRCC in 2003. He said the maintenance shop has 14,210 square feet and is in very poor condition. He said the first floor of the maintenance shop is used for office space, but the remainder is unoccupied. He said a four-story administration building was transferred to JRCC to create needed space for administrative services staff and staff training. He said the building is in good structural condition and has offices on the first floor. He said the upper three floors are in usable condition but are currently vacant.

Mr. Redmann said JRCC's perimeter fence is 15 years old and should be improved. He said the State Hospital's swimming pool is located within a few feet of the fence and required JRCC to divert the fence around the pool, creating blindspots. He said the roof membrane on a large span of JRCC's tunnels is becoming brittle, and there are leaks causing damage to inside ceilings and walls. He said the perimeter lights are outdated and should be converted to LED lights.

In response to a question from Senator Sorvaag, Mr. Redmann said the placement of inmates in programs is structured based on the time the inmates will be in JRCC. He said some inmates will complete a group program in less time than others. He said the public is being protected, and JRCC has not had any escapes in the 15 years it has been operational.

In response to a question from Representative Wieland, Mr. Redmann said he would provide cost estimates for upgrading lights on the grounds of JRCC.

In response to a question from Representative Keiser, Mr. Redmann said JRCC is working to manage the inmate population so there will not be a need for future expansion. He said if expansion were to occur, he believes JRCC would need to conduct a study to determine where a new building should be located.

Senator Carlisle suggested JRCC inform the committee of which building should be destroyed and the associated costs.

The committee conducted a walking tour of JRCC.

The committee recessed for lunch at 11:45 a.m. and reconvened at 1:00 p.m.

Mr. Dave Krabbenhoft, Director of Administration, Department of Corrections and Rehabilitation, presented information (Appendix D) regarding inmate population, per day costs to house inmates, the department's inmate population management plan, and land leased out by DOCR. He said in October 2013, DOCR's average daily male inmate population was 1,370, and the average daily female inmate population was 165. He said the average cost per day per offender for all DOCR facilities was $109.10 in fiscal year 2013. He said the new beds at the State Penitentiary are being filled faster than DOCR had anticipated, but there are still 22 beds open.

Mr. Krabbenhoft said DOCR manages 3,315 acres of land, of which 3,115 acres are being leased for various purposes generating $230,636 of annual revenue.

In response to a question from Representative Froseth, Mr. Krabbenhoft said all North Dakota inmates are being housed in the state.

In response to a question from Representative Pollert, Mr. Krabbenhoft said he does not yet have information on the number of inmates that have been imprisoned under the new DUI law approved by the 2013 Legislative Assembly. He said the Legislative Assembly appropriated $3 million to account for the projected increase.

In response to a question from Representative Brabandt, Mr. Krabbenhoft said DOCR owns land which is leased to the United States Department of Agriculture for research. He said he would provide information on the terms of the lease.

COMMITTEE DISCUSSION

Representative Keiser said space is available on the State Hospital grounds that is not being used by the State Hospital or JRCC. He suggested the committee receive information identifying the total amount of space being used, the amount of unused space, and recommendations regarding potential uses of the unused space and associated costs. He suggested the committee receive information from the State Hospital and DOCR on the agricultural-related land each agency manages and how much of the land the agency believes could be sold.

Chairman Sorvaag asked the State Hospital and JRCC to provide information to the committee at a future meeting relating to the agencies' priorities for capital project needs, including building projects, renovations, demolitions, and other projects.

Representative Keiser suggested a consultant could provide a return on investment analysis of building new facilities rather than repurposing the older buildings on the State Hospital grounds.

Representative Holman suggested the committee receive information regarding the estimated costs of making the necessary improvements to State Hospital and JRCC buildings, including information on deferred maintenance costs.

Chairman Sorvaag said the next meeting will be scheduled for mid-January 2014.

No further business appearing, Chairman Sorvaag adjourned the meeting at 1:45 p.m.

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Alex J. Cronquist
Fiscal Analyst

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Allen H. Knudson
Legislative Budget Analyst and Auditor

ATTACH:4