

NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

CORRECTIONAL FACILITY REVIEW COMMITTEE

Monday, March 3, 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 Stenehjem

Others present: Representative Al Carlson, Chairman, Legislative Council

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 February 19, 2008, meeting be approved as distributed.

CORRECTIONAL FACILITY REVIEW STUDY

Chairman Pollert called on Mr. George M. Camp, Mr. Lou Ragozzino, and Mr. Jeff Buck, Criminal Justice Institute, Inc., to present information regarding the [conclusions and recommendations of the correctional facility review study](#).

Mr. Camp said the consultants completed the following tasks to meet the study's objectives:

- Verified current needs;
- Quantified needs relating to required space, operational adjacencies, and resulting costs;
- Assessed and analyzed site conditions;
- Designed a new facility model to address quantified needs;
- Applied the new facility model to the State Penitentiary and alternate sites;
- Modified the new facility model to adapt to the State Penitentiary site;
- Estimated costs of the model on all sites;
- Determined benefits and drawbacks of each site;
- Formulated a conclusion;
- Made recommendations; and
- Developed a strategic implementation plan.

Mr. Ragozzino reviewed the site evaluation process which was presented at a prior Correctional Facility Review Committee meeting.

Mr. Buck said the costs for the reuse and replacement options were updated to include an equipment allowance for Roughrider Industries of \$1.8 million for the reuse option and \$2.5 million for the replacement options and to include a construction contingency of 20 percent for the reuse option and

10 percent for the replacement options. He said major renovation costs were removed from the reuse option costs and replaced with an ongoing rehabilitation cost factor included in the annual operating costs. He said an escalation factor of 32 percent (8 percent per year for four years) was added to total project costs to determine total project costs in 2012. He said acquisition of a Bismarck city-owned site would cost approximately \$62,500 per acre based on the fair market value of the State Penitentiary property.

Mr. Buck reviewed the updated project construction costs for each option with a new outside minimum security facility as follows:

	Land Acquisition	Site Work	Construction	Project Total
Reuse of existing facility		\$8,200,800	\$219,631,992	\$227,832,792
Replacement facility at:				
State Penitentiary		\$13,273,920	\$268,218,720	\$281,492,640
Missouri River Correctional Center		\$20,619,472	\$270,569,888	\$291,189,360
Landfill site	\$12,500,000	\$16,984,440	\$269,372,400	\$298,856,840
Airport site	\$19,275,000	\$12,924,120	\$268,106,520	\$300,305,640
Sunny Farm - Site 1		\$15,929,760	\$269,068,800	\$284,998,560
Sunny Farm - Site 2		\$25,791,600	\$267,215,400	\$293,007,000
Sunny Farm - Site 3		\$23,617,200	\$266,518,800	\$290,136,000

Mr. Buck said prison operating costs were updated to reflect anticipated increases of 4.25 percent per year. He said the increases are driven by increased costs for salaries and benefits, health care, utilities, and food. He presented the following 20-year operating cost comparison for the existing facilities with no change, the reuse option, and the replacement option with a new outside minimum security facility:

	Existing Facility	Reuse Option	Replacement Option
Inmates	650	1,000	1,000
Total beds	712	1,085	1,085
2012 operating costs	\$22,800,000	\$27,000,000	\$25,800,000
2031 operating costs	\$50,300,000	\$59,900,000	\$56,900,000
20-year total operating cost	\$696,800,000	\$825,900,000	\$788,300,000
2012 cost per inmate per day	\$96.10	\$74.04	\$70.65
2031 cost per inmate per day	\$211.93	\$164.38	\$155.81

Mr. Buck said the initial model for the Missouri River Correctional Center included a freestanding facility with full program assignments. He said this model required an additional 30,000 to 40,000 square feet of space to add Roughrider Industries, a new kitchen, and classrooms. He said the focus of the Missouri River Correctional Center could be changed to become a community-based program with education and work release programs and job assignments at the Penitentiary. He said a solution including construction of 72 new outside minimum security beds and the development of 72 community-based beds could reduce costs by approximately \$10 million. Ideally, he said, the minimum security unit should be adjacent to the Penitentiary.

Mr. Camp said the consultants reached the following conclusions in the correctional facility review study:

- Dated facilities have made prison operations difficult to manage and costly to maintain;
- The State Penitentiary is operating at a safe and reasonable capacity;
- The forecasted increases in inmate populations cannot be accommodated with the beds currently available;
- Current and future needs can be met by adopting the recommended option; and
- The sooner the state initiates action on the recommended option, the less costly it will be to implement.

Mr. Camp said the recommended option is to remodel and reuse the existing State Penitentiary. He said the reuse option is the least costly to implement, provides the desired outcomes sooner, and meets the demand for additional beds. He said the cost of the reuse plan will be approximately \$227.8 million if the project is completed by 2012 in one phase. He said the cost of the project will be approximately \$247.6 million if the project is completed by 2016 in three phases. He said a phased implementation of the reuse option offers the state flexibility in adapting to unexpected changes in the demand for future beds. He said a savings of 8 percent, or \$19.8 million, could be realized if the project design began in 2008 rather

than 2009. He said the Missouri River Correctional Center should be replaced with a minimum security unit adjacent to the State Penitentiary.

In response to a question from Senator O'Connell, Mr. Camp said Roughrider Industries would be expanded to focus on vocational training. He said Roughrider Industries should provide inmates with skills that can be used upon the inmate's reentry to the community.

Mr. Dave Krabbenhoft, Director of Administration, Department of Corrections and Rehabilitation, commented on the correctional facility review study. A copy of his testimony is on file in the Legislative Council office. Mr. Krabbenhoft said addressing the critical needs of the department through a combination of new construction and reuse of existing infrastructure is both economically and functionally viable.

In response to a question from Representative Pollert, Mr. Smith said action to be taken by the Correctional Facility Review Committee regarding the consultant's recommendation is provided for in House Bill No. 1015 (2007). He said the committee is to forward the consultant's model concepts and recommendations and the committee's decision regarding the recommendations to the Emergency Commission by June 1, 2008.

Chairman Pollert said the next meeting is scheduled for Monday, April 7, 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