

Human Services

Projects Summary

(\$ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds			Gov's Rec	Gov's Planning Estimates	
			2018	2020	2022	2018	2020	2022
MSOP St. Peter Phase II	1	GO	16,196	19,347	0	16,196	0	0
St. Peter Dietary Building HVAC and Electrical Replacement	2	GO	2,200	0	0	2,200	0	0
Anoka Roof and HVAC Replacement	3	GO	6,750	0	0	6,750	0	0
Asset Preservation	4	GO	18,619	15,000	15,000	18,619	18,619	18,619
Anoka Admissions Redesign	5	GO	5,790	0	0	5,790	0	0
MSOP Secure Assisted Housing	6	GO	13,882	0	0	13,882	0	0
Early Childhood Facilities	7	GO	5,000	5,000	5,000	0	0	0
		GF	5,000	5,000	5,000	0	0	0
Total Project Requests			73,437	44,347	25,000	63,437	18,619	18,619
General Obligation Bonds (GO) Total			68,437	39,347	20,000	63,437	18,619	18,619
General Fund Cash (GF) Total			5,000	5,000	5,000	0	0	0

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AT A GLANCE

- Health care programs (Medical Assistance, Minnesota-Care) — 1,079,407 people on average enrolled per month in 2016
- Supplemental Nutrition Assistance Program (SNAP) — over 453,000 people received help each month in 2016
- Minnesota Family Investment Program and Diversionary Work Program — 32,766 families with low incomes assisted per month in 2016
- Child support — more than 353,000 custodial and noncustodial parents and their 245,000 children receive services
- Child care assistance — more than 15,112 families assisted in a month in 2016
- Adults receiving publicly funded mental health services — 78,028 people per month in 2016
- Children and youth receiving publicly funded mental health services — 32,023 per month in 2016
- DHS Direct Care and Treatment provided services to more than 12,000 individuals in fiscal year 2016
- In FY2016 DHS all funds spending was \$15.5 billion

PURPOSE

The Minnesota Department of Human Services (DHS), working in partnership with many others, helps people meet their basic needs so they can live in dignity and achieve their highest potential.

- We focus on people, not programs.
- We provide ladders up and safety nets for the people we serve.
- We work in partnership with others; we cannot do it alone.
- We are accountable for results, first to the people we serve and, ultimately, to all Minnesotans.

DHS contributes to the following statewide outcomes:

- **All Minnesotans have optimal health.**
- **Strong and stable families and communities.**
- **People in Minnesota are safe.**

STRATEGIES

We emphasize several strategies across our budget activity and program areas to realize our mission and support the statewide outcomes listed above. We organize the strategies currently emphasized within DHS in seven categories:

- Better and Equitable Outcomes
 - *Adults and children are safe and secure*
 - Better protect children and vulnerable adults in families
 - Streamline the adult protection system
 - Develop more accurate and efficient background study process
 - Increase fraud investigations of Child Care Assistance providers
 - Implement new regulatory oversight to support people living safely in homes and communities
 - Expand provider investigations through Recovery Act contracts
 - Implement onsite enrollment screening requirements for medium- and high-risk providers
 - *Adults and children have stability in their living situation*
 - Increase access to prevention, outreach, shelter, and housing for at-risk and homeless youth
 - Lower the disproportionate number of children of color in out-of-home placements
 - Decrease the number of children in foster care waiting for adoption
 - *Children have the ability to develop to their fullest potential*
 - Reduce the rate of prenatal exposure to alcohol or drugs
 - Increase the number of children in underserved communities enrolled in quality child care settings
 - *Adults and children under the care of the Commissioner live with dignity and achieve their highest potential*
 - Better protect children and vulnerable adults in facilities, especially those directly in our care
 - *Adults live with dignity, autonomy, and choice*

- Serve more people in their own homes, communities and integrated workplaces
- Enhance long-term care planning
- Evaluate quality of life and care for people receiving services by using online report cards for home and community-based services and nursing facilities
- Decrease the amount of time it takes to determine disability status and eligibility for assistance
- Launch new Community First Services and Supports to support people in their communities
- *People have access to health care and experience good health*
 - Improve access to affordable health care
 - Integrate primary care, behavioral health and long-term care
 - Implement a new autism benefit for children
 - Expand the number of providers and enrollees participating in Integrated Health Partnerships (Medicaid Accountable Care Organizations)
 - Reduce the gap in access and outcomes for health care in cultural and ethnic communities
 - Hold managed care plans accountable for health equity outcomes related to depression, diabetes and well child visits
- *People are economically secure*
 - Keep more people fed and healthy by increasing nutrition assistance participation, especially for seniors
 - Reduce Supplemental Nutrition Assistance Program error rate

The Department of Human Services' overall legal authority comes from Minnesota Statutes chapters [245](https://www.revisor.mn.gov/statutes/?id=245) (<https://www.revisor.mn.gov/statutes/?id=245>) and [256](https://www.revisor.mn.gov/statutes/?id=256). (<https://www.revisor.mn.gov/statutes/?id=256>) We list additional program-specific legal authority at the end of each budget activity narrative.

At A Glance

- The Minnesota Department of Human Services (DHS) Direct Care and Treatment (DCT) recently finished their 2018-2022 Strategic Plan. The goals of the strategic plan are to:
 - Operate as an integrated health system, improving patient experience, enhancing outcomes of care and ensuring that we are optimizing stewardship through efficient and effective operations.
 - Drive for a heightened focus on ***DCT core services and ensure our facility footprint will meet the needs of the core services.***
 - Implement and leverage updated technology and data systems to improve quality and efficiency across the system.
 - Increased emphasis on client transitions and community re-integration.
- DHS administers a statewide Early Childhood Facilities grant program that helps local entities to renovate or construct new facilities for early childhood programs.

Factors Impacting Facilities or Capital Programs

The DHS DCT provides direct and indirect care services through an array of treatment, vocational, and residential program services for people with mental illness, developmental disabilities and chemical dependency. Some of the people served are a danger to themselves and others and present a serious risk to the public. DCT provides these services to over 12,000 patients, clients and individuals annually at approximately 200 sites around the state. Many of the persons served in DCT programs have been civilly committed to the state for treatment. About three million square feet of the space is state-owned and one million square feet is leased space.

DCT core services include:

- **Forensic Services** - provides evaluation and treatment to individuals civilly committed to the commissioner as Mentally Ill and Dangerous (MI&D), and to persons with mental illness whom the criminal court has ordered for evaluation and treatment before the start of a criminal trial. Forensic Services are located on the St. Peter campus.
- **Minnesota Sex Offender Program (MSOP)** - provides treatment and programming to clients who are committed as a sexually dangerous person and/or as a sexual psychopathic personality. The minimum treatment program services are outlined in Minn. Rules, part 9515.3040. They include sexual offender-specific treatment, psychiatric, medical, dental, psychological, social and advocacy services, educational programming, and vocational rehabilitation services. MSOP services are located on the St. Peter campus and Moose Lake.
- **Mental Health and Substance Abuse Treatment Services (MHSATS)** – provides specialized inpatient, residential and related treatment supports for people with mental illness and substance abuse. **Anoka-Metro Regional Treatment Center (AMRTC)** is a 110-bed psychiatric hospital, divided into 25-bed units, that serves people who have a mental illness in a campus-based setting. Many patients have complex medical histories. Specialized services include treatment for patients who have multiple and complex conditions, mental illness and who face a criminal trial and high levels of behavioral issues. Other MHSATS programs include: Community Behavioral Health Hospitals (CBHHs), Minnesota Specialty Health System, Child and Adolescent Behavioral Health Services (CABHS), Minnesota Intensive Therapeutic Homes (MITH), and Community Addiction Recovery Enterprise (C.A.R.E.).

Early Childhood Facilities — Grant funds for early childhood facilities allow local service providers to deliver high quality services to more young children and their families. The demand for early childhood facilities continues to rise, primarily due to the following factors: 1) Higher costs for projects that involve new construction, as part of school expansions; 2) an increased focus on early learning services as a way to promote school readiness and success, especially for low-income children; and 3) the need to co-locate services in a single space, where comprehensive needs of children and their families are better served.

Self-Assessment of Agency Facilities and Assets

St. Peter Campus

The St. Peter Campus currently houses DCT core services of **Forensics** (including the Minnesota Security Hospital (MSH), Forensic Nursing Home, Transition Services, and Competency Restoration Program (CRP)) and **MSOP** (including MSOP treatment services, Community Preparation Services (CPS) and Office of Special Investigations (OSI)). The campus is approximately 475 acres with a physical separation of change in elevation creating an Upper Campus and Lower Campus.

The 2016-2021 Six-Year Capital Plan lays out the long-range strategic plan with the goal of physically separating the Forensic and MSOP services on the St. Peter campus. Currently both programs have some individuals, on the Lower Campus, who are appropriately able to move around campus with limited control. While Forensic patients are categorically considered vulnerable adults, MSOP clients are not. Allowing individuals from both programs to intermingle on the Lower Campus creates safety concerns. Consolidating Forensic programs on the Upper Campus will address this issue.

During the 2014 bonding session, DCT was appropriated funds to start this separation. Phase one of a two phase project was appropriated to build a significant addition onto the MSH. The same year, DCT was also appropriated funds to build a Forensics Transition building on the Upper Campus and significantly remodel Green Acres and Sunrise buildings on the Lower Campus for MSOP clients who have been court-ordered into the later stages of treatment, CPS. This was the first phase of a three phase project in consolidating MSOP services on the Lower Campus.

During the 2017 special session, bonding funds were appropriated for Phase 2 of the MSH project. When completed, the MSH will be a modern residential treatment facility whose layout will allow staff to follow best practices and also provide specialized treatment units focused on specific levels of care. This will finish the consolidation of Forensic Services on the Upper Campus.

In order to complete the consolidation of MSOP services on the Lower Campus, two additional phases are required. Phase 2 will consist of completing the renovation of Green Acres North and Sunrise West for additional CPS beds, renovating Sunrise North for clinical needs, and renovating Tomlinson for MSOP program activities. The smaller living units in the Green Acres and Sunrise buildings promote a much more therapeutic environment for clients progressing to the community reintegration phase of treatment. This project is the agency's #1 priority.

As MSOP clients move through their treatment on the St. Peter Campus, some have been approved for provisional discharge from the MSOP program to a community treatment setting. There are some MSOP clients, however, that cannot be placed in a community treatment setting due to medical or physical conditions. These clients require an assisted living-type setting in order to continue their treatment. The agency's #6 priority is to construct two, state run and state owned Assisted Living facilities on the St. Peter Campus.

The St. Peter Campus houses two DCT core services that average 655 patients and clients daily. The Dietary Building on the Lower Campus supplies daily food service to all patients and clients, averaging 1800+ meals each day. The building was originally constructed in the late 1960s. It requires a HVAC replacement that is energy efficient and is controlled by the central building automation system. The building does not currently have air conditioning which will be added. This will improve the working conditions for staff preparing the meals. Electrical services to this building will also be replaced at this time as it has reached its useful life and does not have capacity to power the new HVAC system. This project is the agency's #2 priority.

The St. Peter Campus is occupied 24 hours a day, 7 days a week and 52 weeks a year. There is not, nor can there be, any "down time". All of the security systems, cameras, interior and exterior lights, etc. are powered by electricity. For calendar year 2016, electric costs for the St. Peter Campus was \$1,164,803. Installation of renewable energy systems (solar, wind, thermal) would support the Governor's Executive Orders 11-12 and 11-3 while reducing our carbon footprint and utility costs. This project is the agency's #7 priority.

Anoka Metro Regional Treatment Center (AMRTC)

The AMRTC is the other Direct Care and Treatment program that is licensed as an inpatient psychiatric hospital. AMRTC serves adults with mental illness, many of whom have complex medical histories. Clients served at AMRTC often have more acute mental health issues than was the case in the past, and more patients are being admitted from jails. Placements at the AMRTC has been significantly impacted by the 48-hour rule, which requires that anyone in a jail who meets the criteria for civil

commitment must be transferred to a psychiatric facility within 48 hours. Many of the persons placed under the 48-hour rule have challenging levels of acuity and behavior.

In order to accommodate the changing client populations, one area of need is a new admissions and evaluation unit that is separate from the six main residential treatment units in the main building. This unit would be for newly admitted, mentally ill patients. The space will allow clinical staff to observe, evaluate, better understand and recommend placement of the newly admitted patient, rather than place the new admissions in the residential unit that has an open bed. Currently, there is available space in the Miller Building that is adjacent to the main building. This available space provides the necessary separation and a separate entrance for this need. This project is the agency's #5 priority.

The main building on the Anoka Campus was built and occupied in late 1998. The roof on the six residential treatment units has never been replaced. The roof has reached its useful life and requires replacement. The roof contains three penthouses that should have the envelopes replaced, as the envelopes have also reached their useful life.

When Anoka County took over the majority of the old Regional Treatment Campus, one of those buildings was the old Power Plant. At that time, the State and County agreed to keep the existing steam line to the Miller Building and Warehouse that was to remain part of AMRTC. Currently, the heating systems for the Miller Building and Warehouse utilize this steam line. The County has notified AMRTC that they will stop supplying steam within the next 18-24 months. DCT is in the process of designing a HVAC replacement for the Miller Building and Warehouse, while also designing the roof replacement and penthouse envelope upgrade. DCT is planning to bid these two projects as one project. This project is the agency's #3 priority.

Asset Preservation

Over the past year, DCT performed a complete assessment of all owned facilities within its system. This assessment includes each of the individual components that comprise existing buildings, as well as each building as a complete structure. Data collected includes items such as breakdown of costs, replacement value, condition, and deferred maintenance. The data compiled in this assessment will allow DCT to accurately and efficiently prioritize when making asset preservation requests. Additionally, this completed assessment will ensure that preservation projects included in each six-year capital plan are consistent with the documented current and anticipated future needs of the evolving state-operated Direct Care and Treatment system.

Insufficient funding for asset preservation in the past has caused some areas of particular concern to develop: safety hazards, code compliance issues and mechanical and structural deficiencies; major mechanical and electrical utility system repairs/replacements/improvements; abatement of asbestos-containing materials; roof work and tuck pointing; other building envelope projects; and road/parking lot renovations. The Department needs consistent and adequate funding to allow it to systematically address the repair, replacement, and renewal needs of the state-owned facilities it operates. Asset Preservation is the agency's #4 priority.

Early Childhood Facilities

Unlike other DHS bonding requests, the Early Childhood Facilities grant program requests funds for local projects that are awarded via a competitive request for proposal (RFP) process. Seventy-five projects have been completed since 1992, with demand for grants far outpacing available funds.

Trends and needs outlined in the "Factors Impacting Facilities or Capital Programs" section has increased the demand for the construction and rehabilitation of Early Childhood facilities. In response to recognizing these needs, DHS' long-term plan anticipates that the Early Childhood Facilities grant program would conduct a statewide competitive RFP every other year in hopes of meeting project needs statewide.

Agency Process for Determining Capital Requests

Direct Care and Treatment (DCT) staff use long-range strategic operational programs for each of the services provided to manage change to the systems. These strategic operational programs are reviewed on an annual basis and updated as needed. They must demonstrate a link to the agency's system-wide strategic objectives/goals.

The annual DCT strategic reviews are used to initiate long-range capital planning. The capital planning process includes: a facilities analysis and planning program; identifying viable alternatives for meeting future physical plant needs; identifying any surveys or studies (predesign) that may be required to assess viable alternatives; and implementing and reviewing existing/new campus master planning projects.

After we complete this work, long-range (six-year) physical plant project budgets are reviewed/revised/updated. These six-year plans outline all capital projects proposed for each facility and also identify all known physical plant deficiencies, scheduled maintenance, and proposed/required improvements. Staff evaluate each project and place in a recommended budget category (e.g. repair and replacement (R/R); R/R special projects; capital equipment; asset preservation; capital; etc.) Staff use this information to:

- establish potential costs of improving specific buildings or groups of buildings;
- determine the appropriateness of related or proposed expenditures;
- assess alternatives for meeting an individual facility’s operational program; and
- develop recommendations for the agency’s senior staff to review and consider including in the agency’s six-year capital budget plan.

The six-year plan outlines an incremental approach to improving and upgrading the physical plant resources required to support future operational programs at the state-owned facilities. The developed plan is consistent with the Department’s strategic goals and objectives.

The DHS executive team reviews the projects put forth by DCT, and based on long-term goals, determines which projects to proceed with as part of the bonding package and prioritizes those projects Budget staff along with business areas then worked to prepare final proposals in line with the priorities and strategic objectives of the department.

With respect to the Early Childhood Facilities capitol grant program, on a regular basis DHS reaches-out to superintendents, and principles across the state to ask about their early childhood space needs. This outreach also include private, nonprofit entities in the event that general funds would become available. In the most recent survey over 70 inquiries were received, totaling \$264 million in renovation and construction project costs for early childhood facilities. The trend is toward higher-priced projects that involve new construction, as part of school expansions.

Major Capital Projects Authorized in 2016 and 2017

Laws of Minnesota 2017, 1st Special Session, Chapter 8, Section 17

Name of Capital Project	\$ in thousands
Minnesota Security Hospital – St. Peter – Phase 2	\$ 70,255
Child and Adolescent Behavioral Health Services	\$ 7,530
Anoka Metro Regional Treatment Center Safety and Security Renovations	\$ 2,250
Hennepin County – Regional Medical Examiner’s Facility (pass-through grant)	\$ 2,680
Perspectives Family Center (pass-through grant)	\$ 600
St. Paul – Dorothy Day Opportunity Center (pass-through grant)	\$ 12,000
Carver County – Regional Residential Crisis Stabilization Clinic (pass-through grant)	\$ 1,250
Minneapolis – The Family Partnership (pass-through grant)	\$ 1,600
Minneapolis – People’s Center (pass-through grant)	\$ 2,200

MSOP St. Peter Phase II**AT A GLANCE****2018 Request Amount:** \$16,196**Priority Ranking:** 1

Project Summary: \$16.196 million is requested for the second phase of a multi-phase project to design, remodel and construct, furnish and equip existing buildings on the lower campus of the St. Peter Regional Treatment Center to make them usable for program operations of the Minnesota Sex Offender Program (MSOP). This request increases the capacity of MSOP's Community Preparation Services to serve more clients who are in this later stage of treatment.

Project Description

Funds to complete design, renovation and construction, and to purchase furniture, fixtures and equipment for the North Wing of Green Acres, the West, South and North Wings of Sunrise, and the renovation /construction proposed for the Tomlinson Building are being requested with this revised second phase capital request for MSOP's St. Peter lower campus project.

Renovation work will include the replacement and/or upgrading of the building HVAC systems, plumbing and electrical, security, and life safety systems (fire sprinklers and new detection/alarm equipment). In addition, the building envelopes will be upgraded, including window and door replacement. Considerable interior reconfiguration and renovations are also part of the project for the three buildings being renovated in the Phase 2 request.

The MSOP Phase 2 project will remodel a total of 63,335 existing square feet. The Phase 2 project does not add any new square footage to the MSOP facilities on the St. Peter campus:

- Green Acres building existing square footage = 40,999. Of the total, the Phase 2 project will remodel 7,735 square feet.
- Sunrise building existing square footage = 40,060. Of the total, the Phase 2 project will remodel 32,325 square feet.
- Tomlinson building existing square footage = 23,295. The Phase 2 project will remodel all 23,295 square feet. A significant portion (5,456.95 sq. ft.) of the remodel requires repurposing a closed pool area into usable space for client program and staff support functions.

Project Rationale

Minnesota Sex Offender Program (MSOP) clients continue to progress through treatment and move to the St. Peter campus for the later stages of treatment. All reintegration programming takes place at MSOP's St. Peter campus. Clients begin their reintegration, focusing on deinstitutionalization, while living inside the secure facility and may petition the court to transfer to Community Preparation Services (CPS). For CPS clients, MSOP operates residential facilities on the grounds of the St. Peter campus located outside of the secure perimeter. When additional beds were added in the summer of 2017, they were immediately filled by clients who were on a waiting list to transfer to CPS by court order.

Courts are granting transfer for clients to move to CPS at an increased rate. In 2014, 12 transfer orders were granted for CPS. In 2015, 28 were granted; in 2016, 41 were granted. Because of the current trajectory of clients moving to later phases of treatment and court-ordered transfers to CPS, MSOP needs to increase the proportion/numbers of CPS beds and programming space on the St. Peter campus.

If the court finds that the Commissioner has not made a good faith effort to comply with a court order transferring a MSOP client to CPS, then the court may find the Commissioner in contempt of court. Upon finding the Commissioner in contempt of court, the court may impose various penalties designed to compel the Commissioner to comply with the court order. MSOP clients may argue that these penalties should include things like substantial fines and the creation of new, temporary facilities to house them prior to their transfer to CPS.

For these reasons, the Department has reconfigured the elements of the MSOP Phase 2 project on the St. Peter campus to:

- renovate the remaining (North) wing of the Green Acres building to add CPS beds and related services;
- renovate the West wing of the Sunrise building for additional CPS beds that are outside of the secure perimeter;
- renovate and update the North wing of Sunrise for clinical/medical and other support functions; and
- renovate the Tomlinson building for program activities for MSOP client activities and staff facilities.

Project Timeline

Assuming this project is funded in the 2018 session, construction would start in October 2018 and be complete by October 2019.

Other Considerations

In the 2015 Special Session the Legislature amended the 2014 bonding bill appropriation language to permit the Department to defer the design of Bartlett Hall to Phase 3, and to instead use the balance of the 2014 Phase 1 funds to proceed with developing design documents for the work outlined for Green Acres, Sunrise and Tomlinson. The action by the 2015 Legislature allows the Department to stay on track with our planned renovations and be positioned to create more MSOP bed capacity on the St. Peter campus. This 2018 request is for funds to complete the renovations outlined for these three buildings.

A Community Preparation Services (CPS) facility includes shared kitchen, bath and living areas, and clinical and unit staff offices. Security staff are present whenever clients are in the building and the common areas are monitored via security cameras. While in CPS, clients expand their off-campus activities — type and geographic range— to further their deinstitutionalization and prepare them for a safe and successful move back into the community. Programming includes continued treatment, building pro-social support networks, participation in support groups, vocational training, budgeting and financial management, volunteering, and demonstrating healthy, pro-social lifestyle choices. Clients in CPS wear GPS monitoring devices and are escorted by staff at all times when in the community. While on the St. Peter campus, CPS clients participate in facility counts and are subject to room searches and drug testing.

Impact on Agency Operating Budgets

The renovated and new units associated with this request will increase the overall cost of the future operating budget for the Minnesota Sex Offender Program (MSOP). Costs are directly associated with the addition of living units that will require new staff and support costs.

Description of Previous Appropriations

2014: \$7.405 million to design, construct, renovate, furnish and equip the first phase of a three phase project to develop additional residential, program, activity and ancillary facilities for MSOP on the lower campus of the St. Peter Regional Treatment Center. This appropriation also included funding to design the second phase of the project.

Project Contact Person

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Governor's Recommendation

The Governor recommends \$16.196 million in general obligation bonds for this request.

Human Services

Project Detail

(\$ in thousands)

MSOP St. Peter Phase II

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2018	FY 2020	FY 2022
State Funds Requested				
General Obligation Bonds	\$ 7,405	\$ 16,196	\$ 19,347	\$ 0
Funds Already Committed				
Pending Contributions				
TOTAL	\$ 7,405	\$ 16,196	\$ 19,347	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2018	FY 2020	FY 2022
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 1,088	\$ 417	\$ 1,275	\$ 0
Project Management	\$ 177	\$ 550	\$ 546	\$ 0
Construction	\$ 5,663	\$ 13,756	\$ 15,741	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 477	\$ 1,473	\$ 1,785	\$ 0
Inflationary Adjustment*	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 7,405	\$ 16,196	\$ 19,347	\$ 0

*Inflation is already included in project costs.

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2018	FY 2020	FY 2022
IT Costs	\$ 0	\$ 84	\$ 186
Operating Budget Impact (\$)	\$ 0	\$ 7,899	\$ 15,249
Operating Budget Impact (FTE)	0.0	62.0	62.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 16,196	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Pre-design Review (M.S. 16B.335 subd. 3):	
Does this request include funding for pre-design?	No
Has the pre-design been submitted to the Department of Administration?	Yes
Has the pre-design been approved by the Department of Administration?	Yes
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6 and 16E.05 subd. 3)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	N/A
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	N/A
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2022?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

St. Peter Dietary Building HVAC and Electrical Replacement**AT A GLANCE****2018 Request Amount:** \$2,200**Priority Ranking:** 2**Project Summary:** \$2.2 million is requested to replace the Heating, Ventilation and Air Conditioning (HVAC) and electrical services to the Dietary Building on the St. Peter Regional Treatment campus. The Dietary Building supplies daily food service for all individuals committed to the Minnesota Security Hospital (MSH) and the Minnesota Sex Offender Program (MSOP).**Project Description**

This \$2.2 million request is the Department's #2 priority for the 2018 Capital Budget. The project will improve the working conditions for staff who prepare meals for an average of 650 clients and patients daily, while also bringing all of the associated equipment and systems up to code and energy efficient.

A study was conducted during the winter of 2017 and determined the following project scope:

- Installation of a new make-up air unit and a chiller to provide air conditioning, demolition of existing air handling units and ductwork
- Installation of variable volume controls to exhaust fans to reduce the amount of air exhaust from equipment hoods
- Install a new capture hood, fan and VAV controls above the dish wash machine where majority of the excess steam is generated
- Replacement of pneumatic controls with electronic digital controls. This will allow the building HVAC systems to be monitored and controlled by the central building automation system.
- Replacement of the main switchboard that has surpassed its operational life
- Replacement of the building transformer that has surpassed its operational life
- Temporary, portable, kitchen during construction

Project consultants are currently working on construction documents which are scheduled to be complete and ready for bidding by July 2018. Assuming this request is funded in the 2018 session, construction will begin in October 2018 and be complete by December 2018.

Project Rationale

The Dietary Building was originally constructed in the late 1960s. Air conditioning was not included and was not very common for kitchen facilities at the time. Various exhaust fans were installed, along with heating & ventilation units. Temperature controls, including thermostats, heating valves, and damper actuators, were pneumatic type, which was also common at the time. There has been minimal upgrades in the past 50+ years. The Dietary Building has been operating under some challenging environmental conditions which are related to the building HVAC systems. Conditions can become nearly unbearable at times during the summer and create a safety and health issue for staff. Steam from the dishwasher and from steam kettles escapes and fills the space with water vapor, adding to the humidity level. Exhaust fans and make-up air equipment run at full speed during the day, consuming a large amount of energy.

This request will address these issues by adding air conditioning, capturing exhaust most effectively, and reducing the amount of exhaust according to need at any time. The electrical service upgrade and system replacement will also be a part of this request. Since the project is installing new systems/equipment and upgrading some old systems/equipment, the existing electrical service is not large enough or new enough to handle the mechanical upgrades.

Project Timeline

Assuming this request is funded in the 2018 session, construction will begin in October 2018 and be complete by December 2018.

Other Considerations

The Dietary Building supplies daily food service for all individuals committed to the Minnesota Security Hospital (MSH) and the Minnesota Sex Offender Program (MSOP) averaging 2,000 meals per day.

The building normally operates each day from 8 AM until 6:30 PM, with lighter activity during the first two hours. From 10 AM to 6:30 PM, the level of cooking is not constant but varies according to the serving schedule.

Impact on Agency Operating Budgets

The replacement of the HVAC and electrical systems in this request is anticipated to reduce the overall cost of the future operating budget for the dietary program. Cost reductions will be directly associated with energy efficient equipment and system replacement.

Description of Previous Appropriations

Project Contact Person

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Governor's Recommendation

The Governor recommends \$2.200 million in general obligation bonds for this request.

Human Services

Project Detail

(\$ in thousands)

St. Peter Dietary Building HVAC and Electrical Replacement

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2018	FY 2020	FY 2022
State Funds Requested				
General Obligation Bonds	\$ 0	\$ 2,200	\$ 0	\$ 0
Funds Already Committed				
Pending Contributions				
TOTAL	\$ 0	\$ 2,200	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2018	FY 2020	FY 2022
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 295	\$ 0	\$ 0
Project Management	\$ 0	\$ 120	\$ 0	\$ 0
Construction	\$ 0	\$ 1,722	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 63	\$ 0	\$ 0
Inflationary Adjustment*	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 0	\$ 2,200	\$ 0	\$ 0

*Inflation is already included in project costs.

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2018	FY 2020	FY 2022
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 2,200	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	Yes
Has the predesign been approved by the Department of Administration?	Yes
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6 and 16E.05 subd. 3)?	Yes
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	N/A
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	N/A
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2022?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Anoka Roof and HVAC Replacement**AT A GLANCE****2018 Request Amount:** \$6,750**Priority Ranking:** 3

Project Summary: \$6.750 million is requested for the Anoka Metro Regional Treatment Center (AMRTC) to address three improvements for the facility: 1) Replace roofs on B/C, D/E and G/H residential units; 2) Install metal wall cladding on the mechanical penthouses on B/C, D/E and G/H Units, and 3) Install new HVAC, fire sprinkler, electric and lighting systems in the Miller Building; and, install a new heating system in the old dietary/warehouse building (Warehouse)

Project DescriptionRoof replacement

The roof replacement project will replace the original EPDM (Ethylene Propylene Diene Monomer) sheet roof membrane on living Units B/C, D/E and G/H. There has been some ongoing leakage in these three areas for several years. These leaks are hard to locate and expensive to repair in this seamed and ballasted roofing system. The administration "A" unit's roof was replaced in the summer of 2015. It is now time to focus on replacing the roof membrane on the remaining portions of the 1998 Anoka complex; units B/C, D/E and G/H. Additional insulation will also be added to the roof system during the replacement project to increase energy efficiency and produce future energy savings.

The roofs on the Miller Building and the old dietary building were replaced in 1992, and as stated above the A Unit roof was replaced in 2015. Replacement of the roofs on B/C, D/E and G/H should address the Anoka campus roofs for another 25 years with a proper roof maintenance program.

Penthouse Wall Cladding Replacement

This project will also replace the existing EIFS (Exterior insulation finish system) wall system on the three penthouses on Units B/C, D/E and G/H of the AMRTC Main Building. The original Penthouse walls utilized an EIFS cladding system. The EIFS system did not perform as well as proposed, and the facility has experienced water penetration through this wall cladding system for many years. The original EIFS walls were replaced on Unit A with a new metal wall cladding system as part of the Unit A roof replacement project. This was initiated as a test to determine if the metal cladding would solve the leakage problem the facility was experiencing with the EIFS system.

The metal cladding system installed on the A unit penthouse has worked very well, requires little maintenance, and is more energy efficient than the original EIFS cladding system. It is time to replace the EIFS systems on the remaining penthouses with the metal wall cladding system to stop the water infiltration that the original EIFS system has experienced and to prevent any future deterioration to the main complex's structural integrity.

HVAC, Electrical, and Fire Sprinkler Systems – Miller and Old Dietary Building

This project focuses on upgrading mechanical, electrical/lighting, and fire/life safety systems in the Miller Building; and, a new heating system for the Warehouse. Although most of the original Anoka Metro Regional Treatment center campus buildings were transferred to Anoka County after the State occupied the new Anoka complex in 1998, these two buildings, along with the Cronin Building were retained by the State for AMRTC program operations. The Cronin Building was transferred to the County in 2012.

Currently, the heating systems in Miller and the Warehouse utilize steam from the County's power plant on the old Anoka campus. The steam is transferred from the old power plant to these two buildings through the original tunnel system. Anoka County has informed the State that they plan to shut-down the old campus power plant, and install new independent HVAC systems in each of the utilized buildings on their campus. Accordingly, to continue to utilize these two structures the State will have to install new HVAC equipment in the Miller Building and the Old Dietary Building.

For the **Miller Building** this will include new hot water boilers, pumping systems, air handlers, ductwork, and, roof top cooling units. This work will also require the construction of a new boiler room, hydronic circulation piping, the demolition and replacement of ceilings, the installation of a fire sprinkler system, upgrade to the building's electrical distribution system, light fixture replacement, and the upgrade of the fire detection alarm system and the buildings outdated security system.

Plans for the **Warehouse** heating system replacement focus on installation of hanging hydronic ceiling units in strategic locations. If the facility continues to utilize space in the Warehouse for the outpatient chemical dependency program a separate HVAC system will be used to heat and cool this space. Continued use of the Warehouse for programming will also require some other updates, including improvements to lighting, fire safety and an upgrade to public restroom facilities.

Project Rationale

The Anoka Metro Regional Treatment Center is a State operated psychiatric hospital which serves the major twin cities metropolitan area. The main campus structure was occupied in late 1998, and the facility operates six residential treatment units in this building. The facility also utilizes two buildings that were part of the original campus, the Miller Building and the Warehouse.

The Miller Building was built in 1951. It houses a chemical dependency residential treatment unit; the state-wide mental health program admissions program; and, other support functions necessary for operating the campus residential programs. The Warehouse was constructed in 1959 as a warehouse and the facility's dietary services facility (kitchen, dining room, and small canteen area). It is currently used for warehousing, maintenance support functions, and the operation of a small chemical dependency outpatient program. All of Anoka's structures need some maintenance or system upgrades to prevent building deterioration and to maximize their use for the future, most of which can be addressed with operating funds and/or the use of asset preservation; however, the scope of the work and total cost of the work proposed in this project request exceeds the agency's ability to use either operating funds or asset preservation appropriation funding, and therefore requires a special capital request dedicated specifically for addressing the improvements outlined for the Anoka campus.

Project Timeline

Assuming this project is funded in the 2018 session, construction for the HVAC portion would start in August 2018 and be complete early 2019. The construction for the roof portion would start construction in the spring of 2019 and be complete the fall of 2019.

Other Considerations

The department has considered the option of not completing the improvements needed to retain use of the Miller and Warehouse buildings and closing these buildings when the County shuts-down the power plant operation that serves these two State structures. Losing the valuable space in the Miller Building at this point in time would prove to be very difficult for the Anoka facility and put a significant strain on the facility that could prove to be catastrophic for Anoka's program operations. Losing the Warehouse space, although difficult, could be managed by the facility; however, the cost to demolish the Warehouse would likely exceed the cost to upgrade the building's heating system, and result in the loss of this space for warehousing goods, records and equipment.

The department also requests mechanical and electrical upgrades to the Miller Building in a separate bonding request titled "Anoka Admissions Redesign" (priority #5). The system upgrades in that proposal are separate and distinct from the upgrades to the HVAC and electrical distribution system contained within the scope of this project.

Impact on Agency Operating Budgets

The replacement of the main roof and HVAC systems in this request is anticipated to reduce the overall cost of the future operating budget for the Anoka Metro Regional Treatment Center. Cost reductions will be directly associated with energy efficient equipment, system replacement and added insulation.

Description of Previous Appropriations

Project Contact Person

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Governor's Recommendation

The Governor recommends \$6.750 million in general obligation bonds for this request.

Human Services

Project Detail

(\$ in thousands)

Anoka Roof and HVAC Replacement

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2018	FY 2020	FY 2022
State Funds Requested				
General Obligation Bonds	\$ 0	\$ 6,750	\$ 0	\$ 0
Funds Already Committed				
Pending Contributions				
TOTAL	\$ 0	\$ 6,750	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2018	FY 2020	FY 2022
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 950	\$ 0	\$ 0
Project Management	\$ 0	\$ 626	\$ 0	\$ 0
Construction	\$ 0	\$ 4,849	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 325	\$ 0	\$ 0
Inflationary Adjustment*	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 0	\$ 6,750	\$ 0	\$ 0

*Inflation is already included in project costs.

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2018	FY 2020	FY 2022
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 6,750	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	Yes
Has the predesign been approved by the Department of Administration?	Yes
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6 and 16E.05 subd. 3)?	
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	N/A
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	N/A
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2022?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Asset Preservation

AT A GLANCE**2018 Request Amount:** \$18,619**Priority Ranking:** 4**Project Summary:** \$18.619 million to maintain and preserve the Department's capital assets around the state. This will ensure that the facilities used for Direct Care and Treatment (DCT) are functional, safe and in good repair.**Project Description**

Each of the Department's facilities is responsible for maintaining a list of projects required to preserve its physical plant/facilities assets. This includes campus-based facilities and state owned community-based facilities. These perpetual and ever changing project lists are comprised of projects directly related to maintaining existing assets, and for ensuring the continued safe, effective, and efficient use of the facility. Facility asset preservation plans must support the projected needs of the facility. Building components are not evaluated on an individual deficiency basis, but rather on an overall building evaluation or assessment basis to determine that life cycle characteristics and program suitability are in balance.

Asset Preservation funds are used throughout the Department's state-owned facilities system and are allocated for projects on a prioritized basis based on need and level of deficiency, i.e., 1) critical projects that require immediate action to return a facility to normal operation, stop accelerated deterioration, or to correct a cited safety hazard; 2) projects that will become critical within a short period of time if not corrected expeditiously; 3) projects that require reasonably prompt attention to preclude predictable deterioration or potential downtime and the associated damage or increased costs if deferred further.

This project request involves the repair, replacement, and renewal needs specific to the operations of the Department of Human Services state-owned Direct Care and Treatment facilities. These needs developed over time, and were identified through a system-wide assessment of known facility deficiencies, including, but not limited to:

- Security, safety and code compliance issues
- Life/fire safety deficiencies (fire sprinkling, detection/alarm systems)
- Emergency power/egress lighting upgrades
- Major mechanical and electrical utility system repairs, replacements, upgrades, and/or improvements, including the replacement of boilers and upgrade of heating and cooling systems
- Sewer and water infrastructure repairs/replacements
- Abatement of hazardous materials (asbestos, lead paint, etc.)
- Elevator repairs/upgrade
- ADA requirements/reasonable accommodation
- Roof repair/replacement and structural deficiencies
- Tuck pointing and other building envelope work (window and door replacement, fascia and soffit work, re-grading around building foundations, etc.
- Road, walk, and parking lot repair/replacement/maintenance

Submitted with this request is a preliminary list of the projects, with estimated costs, that the Department would plan to address with this request.

Project Rationale

Asset preservation funding is essential to support the operations of the Department of Human Services residential treatment facilities and community-based program operations. Because of the system-wide magnitude of projects related to deferred maintenance or renewal at the department's facilities, these projects cannot be addressed with the current level of repair and replacement funding appropriated in the agency's operating budgets.

Funding of this request will enable the Department and its facilities to continue efforts to address deferred maintenance and deferred renewal at the Department's state-owned facilities. Failure to adequately fund this request will only intensify the problem. Additional deterioration will result and the state's physical plant assets will continue to decline. Future costs may actually compound, as complete replacement may become the most cost effective and efficient alternative for addressing related deficiencies.

In addition, if adequate asset preservation funding is not appropriated the Department will not be able to maintain its facilities in a safe, secure, effective and efficient manner. Deteriorating conditions will worsen, and some facility components that are critical to the well-being of the facility's patients and staff may fail, posing significant health/safety risks to the individuals entrusted to the Department's care.

Project Timeline

Other Considerations

If this request is not funded, the Department would be required to use a large percentage of limited repair/ replacement operating funds to address critical and expensive asset preservation projects. This action would limit the Department's ability to address routine preventative, predictive and corrective facility maintenance and would actually compound the existing deferred maintenance problem and result in a substantial increase in the long-range deferred maintenance/renewal at the Department's facilities.

Adequate funding levels for maintaining state physical plant assets could be appropriated to each agency's operating budget to maintain new or upgraded facilities. When a new building is authorized an appropriate amount of maintenance funds should also be appropriated to the agency's base budget to maintain the new facility into the future. These funds could be placed into a **special agency revolving account for facility maintenance/repair/replacement** so they would be available to be utilized and/or managed over a period of years to address major repairs, and replacement/renewal of major building/facility components, without agencies having to compete for such funding in future bonding bills.

Impact on Agency Operating Budgets

If this asset preservation request is funded, we do not expect the result to be either an increase or a decrease to the Department's operating budget.

Description of Previous Appropriations

2014 Legislature appropriated \$3 million
2012 Legislature appropriated \$2 million
2011 Legislature appropriated \$4.7 million
2010 Legislature appropriated \$2 million
2009 Legislature appropriated \$2 million
2008 Legislature appropriated \$3 million
2006 Legislature appropriated \$3 million
2005 Legislature appropriated \$3 million
2002 Legislature appropriated \$4 million

Project Contact Person

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Governor's Recommendation

The Governor recommends \$18.619 million in general obligation bonds for this request. Also included are budget estimates of \$18.619 million for each planning period for 2020 and 2022.

Human Services

Project Detail

(\$ in thousands)

Asset Preservation

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2018	FY 2020	FY 2022
State Funds Requested				
General Obligation Bonds	\$ 5,000	\$ 18,619	\$ 15,000	\$ 15,000
Funds Already Committed				
Pending Contributions				
TOTAL	\$ 5,000	\$ 18,619	\$ 15,000	\$ 15,000

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2018	FY 2020	FY 2022
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 50	\$ 0	\$ 0
Design Fees	\$ 448	\$ 1,944	\$ 1,311	\$ 1,330
Project Management	\$ 303	\$ 1,050	\$ 1,230	\$ 1,010
Construction	\$ 4,249	\$ 15,495	\$ 12,459	\$ 12,660
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 80	\$ 0	\$ 0
Inflationary Adjustment*	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 5,000	\$ 18,619	\$ 15,000	\$ 15,000

*Inflation is already included in project costs.

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2018	FY 2020	FY 2022
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 18,619	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	N/A
Predesign Review (M.S. 16B.335 subd. 3):	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6 and 16E.05 subd. 3)?	N/A
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	N/A
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	N/A
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2022?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Anoka Admissions Redesign**AT A GLANCE****2018 Request Amount:** \$5,790**Priority Ranking:** 5**Project Summary:** \$5.79 million is requested to design and remodel part of the Miller Building at the Anoka Metro Regional Treatment Center (AMRTC) for a new, specialized living/treatment unit which will be utilized to evaluate new patients upon their admission.**Project Description**

The Anoka Metro Regional Treatment Center is a State operated psychiatric hospital which serves the major twin cities metropolitan area. The main campus structure was occupied in late 1998, and the facility operates six residential treatment units in this building. The facility also utilizes two buildings that were part of the original campus, the Miller Building and the Warehouse.

The Miller Building is connected to the main AMRTC campus via an above ground secure connecting link. This new admissions/evaluation unit will provide a separate unit for newly admitted mentally ill patients. This unit will be much smaller in scale than the 25-bed residential treatment units in the Main Building (1998 complex), and will allow clinical staff to observe, evaluate and better understand the new patient's illness. This will enable clinical staff to recommend placement of the new patients in the most appropriate unit of the six residential treatment units the facility currently operates, rather than placing new admissions in the unit that has an open bed.

This project will also be designed to provide a flexible layout to accommodate the need for a crisis unit within the same footprint. This unit would be used to provide specialized accommodations for patients whose behavior impacts the progress of other patients on the unit.

Project Rationale

The Miller Building was built in 1951 to provide additional bed capacity and updated facilities for mentally ill patients. It also provided additional support space for the facility, including a large swimming pool, gymnasium and office space for the campus clinical and recreational programs. It currently houses a chemical dependency residential treatment unit; the state-wide mental health program admissions program; and other support functions necessary for operating the campus residential programs.

The swimming pool was abandoned and removed in the mid 1990's. The pool space is currently used for storage and a portion of the pool space is proposed to be used for the development a new boiler/mechanical room in a separate project request in the department's 2018 capital budget.

The Miller building is in very good structural condition; however, its mechanical and electrical systems are in need of upgrading. Replacement and or upgrading of these systems in the area that is used for the admission/evaluation unit will be addressed with this request.

This area will incorporate a flexible design where the space can easily be accommodated dependent

on the number of patients and their needs. Physical separation, security and monitoring capabilities are the main areas addressed for this flexibility. This area's renovation will also include mitigation of existing ligature points, which at a minimum will include replacing toilets, faucets, sinks, door handles and bedroom furniture. Mitigation of ligature points is a condition of participation for Centers of Medicare and Medicaid Services (CMS)

Project Timeline

Assuming this project is funded in the 2018 session, design would start in January 2019 and be complete late fall of 2019. The project would be bid early spring of 2020, with construction to follow and be complete by December 2020.

Other Considerations

The agency also requests upgrades to the Miller Building's HVAC and electrical distribution system in "Anoka Roof and HCAC Replacement" (priority #3). These system upgrades replace steam heating currently supplied by a power-plant owned by Anoka County and scheduled to be decommissioned in the future. It is separate and distinct from mechanical and electrical system upgrades identified in this request.

Impact on Agency Operating Budgets

This project will impact the agency's operating budget.

Description of Previous Appropriations

Project Contact Person

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Governor's Recommendation

The Governor recommends \$5.790 million in general obligation bonds.

Human Services

Project Detail

(\$ in thousands)

Anoka Admissions Redesign

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2018	FY 2020	FY 2022
State Funds Requested				
General Obligation Bonds	\$ 0	\$ 5,790	\$ 0	\$ 0
Funds Already Committed				
Pending Contributions				
TOTAL	\$ 0	\$ 5,790	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2018	FY 2020	FY 2022
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 50	\$ 0	\$ 0
Design Fees	\$ 0	\$ 600	\$ 0	\$ 0
Project Management	\$ 0	\$ 215	\$ 0	\$ 0
Construction	\$ 0	\$ 3,945	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 980	\$ 0	\$ 0
Inflationary Adjustment*	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 0	\$ 5,790	\$ 0	\$ 0

*Inflation is already included in project costs.

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2018	FY 2020	FY 2022
IT Costs	\$ 0	\$ 149	\$ 187
Operating Budget Impact (\$)	\$ 0	\$ 11,272	\$ 14,628
Operating Budget Impact (FTE)	0.0	62.3	62.3

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 5,790	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6 and 16E.05 subd. 3)?	N/A
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	N/A
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	N/A
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2022?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

MSOP Secure Assisted Housing**AT A GLANCE****2018 Request Amount:** \$13,882**Priority Ranking:** 6**Project Summary:** \$13.882 million is requested to design and construct community-based residential treatment facilities for the Minnesota Sex Offender Program (MSOP) as a secure, assisted living housing alternative to current highly secure MSOP facilities. The request includes funding for predesign and design fees, project management and construction for two facilities to be located on the St. Peter Regional Treatment campus.**Project Description**

This request is for funds to predesign, design and construct two 20-bed community-based residential / treatment facilities for the Minnesota Sex Offender Program (MSOP) as less restrictive alternatives to current highly secure MSOP facilities.

Each 12,000 square foot facility will include space for dining, living, group/treatment rooms, bedrooms, bathrooms, visitation, clinic/professional staffing, operations staff, patient storage, operations storage, food preparation, a small area for indoor recreation, and outdoor activity space. These facilities would be designed with a majority of double occupancy bedrooms.

Project Rationale

For some Minnesota Sex Offender Program (MSOP) clients the most appropriate treatment placement is in a Less Restrictive Alternative (LRA) rather than placement in the highly secure MSOP facilities in Moose Lake or St. Peter. As part of the program's reintegration philosophy and approach, MSOP has developed contracts with several community treatment and housing providers for ongoing clinical services, housing, and intensive supervision. These private community providers are able to serve some MSOP clients for whom the Court has approved a provisional discharge from the MSOP program to a community treatment setting.

However, there are other MSOP clients, including those with medical or physical conditions who need an assisted living-type setting, who will not be able to be served by private community providers. This capital budget request is for funding to construct two state-owned and state-run LRA facilities on the St. Peter Regional Treatment campus.

Project Timeline

Assuming this project is funded in the 2018 session, design would start in January 2019 and be complete January 2020. The project would be bid early spring of 2020, with construction to follow and be complete by the spring of 2021.

Other Considerations

MSOP staff will be responsible for all supervision and monitoring of the clients in these less restrictive alternative placements. Similar to the MSOP Community Preparation Services (CPS) program, GPS ankle bracelet monitoring devices would be used as part of each facility's supervision and monitoring

program.

The cost estimate for these residential units does not include costs for vocational/work opportunity programming

Impact on Agency Operating Budgets

Staffing these new facilities will have a short term impact on the operating budget for the Minnesota Sex Offender Program during the transition of clients from the current highly secure MSOP facilities to the less restrictive alternative placements.

Description of Previous Appropriations

Project Contact Person

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Governor's Recommendation

The Governor recommends \$13.882 million in general obligation bonds for this request.

Human Services

Project Detail

(\$ in thousands)

MSOP Secure Assisted Housing

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2018	FY 2020	FY 2022
State Funds Requested				
General Obligation Bonds	\$ 0	\$ 13,882	\$ 0	\$ 0
Funds Already Committed				
Pending Contributions				
TOTAL	\$ 0	\$ 13,882	\$ 0	\$ 0

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2018	FY 2020	FY 2022
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 70	\$ 0	\$ 0
Design Fees	\$ 0	\$ 805	\$ 0	\$ 0
Project Management	\$ 0	\$ 621	\$ 0	\$ 0
Construction	\$ 0	\$ 10,875	\$ 0	\$ 0
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 1,511	\$ 0	\$ 0
Inflationary Adjustment*	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 0	\$ 13,882	\$ 0	\$ 0

*Inflation is already included in project costs.

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2018	FY 2020	FY 2022
IT Costs	\$ 0	\$ 52	\$ 129
Operating Budget Impact (\$)	\$ 0	\$ 4,015	\$ 10,249
Operating Budget Impact (FTE)	0.0	43.0	43.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 13,882	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	Yes
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	Yes
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6 and 16E.05 subd. 3)?	N/A
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	N/A
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	N/A
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2022?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

Early Childhood Facilities

AT A GLANCE**2018 Request Amount:** \$10,000**Priority Ranking:** 7**Project Summary:** \$5 million in GO bonds and \$5 million in general funds is requested for statewide Early Childhood Facilities grants. Grants help local entities renovate substandard facilities, or construct new, early childhood facilities. A competitive RFP process will be used to distribute the funding.**Project Description**

The early childhood facilities grant program is administered by the Department of Human Services; funds are allocated to construct or renovate facilities. Services involved include Head Start, childcare and school-based early childhood programs. Projects must comply with DHS child care licensing rules, which assures that space is safe and accessible.

Funds are awarded through a competitive grant process. Projects should help to serve children living in poverty and include collaboration among early childhood providers. Construction costs are eligible, however operating expenses are not. There is a 50% match requirement from non-state sources. To date, nearly eighty percent of funds have gone to non-Twin Cities metropolitan area projects.

Bond funding is available to facilities owned by the state or a political subdivision, such as a school district or city. Space may be leased to nonprofit service providers. General funds will be made directly to Head Start, child care, tribal and other non-profit programs.

A grant for an individual facility must not exceed \$500,000 for each program that is housed in the facility, up to a maximum of \$2,000,000 for a facility that houses three or more programs.

Project Rationale

The need for increased early childhood facilities is driven by recent trends such as increases in all-day Kindergarten which has displaced early childhood programs to less desirable locations.

In addition, rising child poverty rates has increased the number of children eligible for early childhood services, such as Head Start and School Readiness programs, which has increased the demand for early childhood programs.

In many parts of the state, it is difficult to find existing space that is safe, accessible, and of high quality for young children and their families. Improved facilities will promote better educational and developmental outcomes for children, particularly children who are at highest risk of being unprepared for kindergarten.

Project Timeline**Other Considerations**

To have a lasting impact, funding for this grant program should be regularized and sustained.

Consequently, this request includes planned requests of \$5 million in GO bonds and \$5 million in general funds in both 2018 and 2020 bonding cycles.

Impact on Agency Operating Budgets

Projects must have operating funds to be eligible for the grant funds. DHS will not have responsibility to operate the facilities. DHS supports 1 FTE to manage this program.

Description of Previous Appropriations

Last appropriation for 2014 was \$6 million in general obligation bond proceeds for 8 Early Childhood projects throughout the state. \$3 million was appropriated for the grant program and \$3 million were earmarked projects.

Since the grant program's inception in 1992 nearly 75 projects were awarded with \$23 million in grant funds; however, funding has been sporadic or absent over the years.

Project Contact Person

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Economic Opportunity Program Supervisor
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Governor's Recommendation

The Governor does not recommend capital funding for this request.

Human Services

Project Detail

(\$ in thousands)

Early Childhood Facilities

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2018	FY 2020	FY 2022
State Funds Requested				
General Obligation Bonds	\$ 0	\$ 5,000	\$ 5,000	\$ 5,000
General Fund Cash	\$ 0	\$ 5,000	\$ 5,000	\$ 5,000
Funds Already Committed				
Pending Contributions				
TOTAL	\$ 0	\$ 10,000	\$ 10,000	\$ 10,000

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2018	FY 2020	FY 2022
Property Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Predesign Fees	\$ 0	\$ 0	\$ 0	\$ 0
Design Fees	\$ 0	\$ 0	\$ 0	\$ 0
Project Management	\$ 0	\$ 0	\$ 0	\$ 0
Construction	\$ 0	\$ 10,000	\$ 10,000	\$ 10,000
Relocation Expenses	\$ 0	\$ 0	\$ 0	\$ 0
One Percent for Art	\$ 0	\$ 0	\$ 0	\$ 0
Occupancy Costs	\$ 0	\$ 0	\$ 0	\$ 0
Inflationary Adjustment	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL	\$ 0	\$ 10,000	\$ 10,000	\$ 10,000

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2018	FY 2020	FY 2022
IT Costs	\$ 0	\$ 0	\$ 0
Operating Budget Impact (\$)	\$ 0	\$ 0	\$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	\$ 5,000	100 %
User Financing	\$ 0	0 %

STATUTORY REQUIREMENTS

The following requirements will apply to projects after adoption of the bonding bill.

Is this project exempt from legislative review under M.S. 16B.335 subd. 1a?	No
Predesign Review (M.S. 16B.335 subd. 3):	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
Will the project design meet the Sustainable Building Guidelines under M.S. 16B.325?	No
Will the project designs meet applicable requirements and guidelines for energy conservation and alternative energy sources (M.S. 16B.335 subd. 4 and 16B.32)?	No
Have Information Technology Review Preconditions been met (M.S. 16B.335 subd. 5 & 6 and 16E.05 subd. 3)?	No
Will the project meet public ownership requirements (M.S. 16A.695)?	Yes
Will a use agreement be required (M.S. 16A.695 subd. 2)?	Yes
Will program funding be reviewed and ensured (M.S. 16A.695 subd. 5)?	Yes
Will the matching funds requirements be met (M.S. 16A.86 subd. 4)?	Yes
Will the project be fully encumbered prior to the Cancellation Deadline (M.S. 16A.642): December 31, 2022?	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A