Human Services

Projects Summary

($ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds 2016	2018	2020	Gov's Rec 2016	Gov's Planning Estimates 2018	2020
MN Security Hospital Phase 2	1	GO	70,255	0	0	70,255	0	0
Anoka Metro Regional Treatment Center: Safety and Security Renovations	2	GO	2,250	0	0	2,250	0	0
MN Sex Offender Program (St. Peter) Phase 2	3	GO	14,500	15,500	0	14,500	0	0
MN Sex Offender Program Less Restrictive Alternatives	4	GO	12,420	0	0	12,420	0	0
Early Childhood Facilities	5	GO	5,000	5,000	5,000	15,000	5,000	5,000
		GF	0	0	0	5,000	0	0
System-Wide Asset Preservation	6	GO	7,000	6,000	5,200	1,500	1,500	1,500
Total Project Requests			111,425	26,500	10,200	120,925	6,500	6,500
General Obligation Bonds (GO) Total			111,425	26,500	10,200	115,925	6,500	6,500
General Fund Cash (GF) Total			0	0	0	5,000	0	0

http://www.mn.gov/dhs

AT A GLANCE

- Health care programs (Medical Assistance, Minnesota-Care) — 1,078,252 people on average enrolled per month in 2014
- Supplemental Nutrition Assistance Program (SNAP) — over 495,000 people received help each month in 2014
- Minnesota Family Investment Program and Diversionary Work Program — 38,000 families with low incomes assisted per month in 2014
- Child support — 372,000 custodial and noncustodial parents and their 262,000 children received services in 2014
- Child care assistance — 30,349 children assisted in a month
- Adults receiving publicly funded mental health services — 56,675 people per month in 2014
- Children and youth receiving publicly funded mental health services — 26,340 per month in 2014
- DHS Direct Care and Treatment provided services to more than 12,000 individuals in fiscal year 2014
- FY 2014 all funds spending = $13.2 billion

PURPOSE

The Minnesota Department of Human Services (DHS), working 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 goals currently emphasized within our agency in four broad categories:

People: Provide smart care that keeps people healthy and in their homes and communities

- People have access to affordable health care
- Children and vulnerable adults are safe and protected
- People are fed and healthy
- People are safely supported in their homes and communities
- People with disabilities have choices in how they live, work and play
- Fewer babies are exposed to alcohol or drugs before birth
- Fewer teens are using synthetic drugs
- More people are planning for long-term care
- Primary care, behavioral health and long-term care are integrated
- Children with autism have access to early intervention
- At-risk and homeless youth have access to prevention, outreach, shelter and housing

- DHS employees are committed to fulfilling the agency's mission

Integrity: Reduce fraud, waste and abuse

- Food support cases have fewer payment errors
- The background study process is accurate and efficient
- Child care provider fraud is investigated and prevented
- Medium- and high-risk providers are screened on-site
- Provider investigations are expanded
- Quality assurance ensures people with disabilities have choices

Equity: Decrease disparities and improve outcomes

- There are fewer children of color and American Indian children in foster care
- There are fewer children in foster care waiting for adoption
- Cultural and ethnic communities have the same access and outcomes for health care
- More children of color and American Indian children have access to quality child care
- Managed care plans are accountable for health equity outcomes related to depression, diabetes and well child visits

Innovation: Redesign our care delivery systems

- More providers are participating in Integrated Health Partnerships
- People have access to online report cards for home and community-based services and nursing facilities
- Disability status and eligibility are determined more quickly
- The adult protection system is streamlined
- New working partnerships and governance arrangements with tribes and counties improve services
- Eligibility and enrollment systems are streamlined

See how we're doing: http://dashboard.dhs.state.mn.us/

The Department of Human Services' overall legal authority comes from Minnesota Statutes chapters 245 (https://www.revisor.mn.gov/statutes?id=245) and 256. (https://www.revisor.mn.gov/statutes/?id=256)

At A Glance

- The Direct Care and Treatment Administration of the Minnesota Department of Human Services (DHS) operates many of their programs in state-owned facilities.
  - State Operated Services programs provide specialized treatment and support services to people with mental illness and other complex needs and challenges, some of whom may present substantial safety risks.
  - The Minnesota Sex Offender Program (MSOP) promotes public safety by providing treatment and successful reintegration opportunities for civilly committed sex offenders.
- Quality preschool and early childhood facilities promote better outcomes for children.
  - DHS administers a statewide Early Childhood Facilities grant program that helps local entities provide quality facilities for early childhood programs.

Factors Impacting Facilities or Capital Programs

The Minnesota Department of Human Services Direct Care and Treatment (DCT) Administration operates 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 safety-net services at approximately 200 sites around the state. Since its peak in 1960, when large state operated institutions provided residential care to an average daily population of 16,355 people, the number of people served has steadily declined. This decline reflects a long-term deliberate strategy of helping persons with disabilities to integrate into their home communities. The strategy has also reduced the need for large state operated institutions. DCT currently serves approximately 5,500 people per year (not including MSOP clients) in a variety of large campus and smaller community-based residential settings. About three-quarters of the space is state-owned and one-quarter is leased space.

Minnesota Security Hospital (MSH) —MSH, (which includes Forensic Services, Forensic Transition Services, Competency Restoration and the Forensic Nursing Home) is a secure treatment facility that 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. MSH's Forensic Transition Services program helps re-integrate individuals back into the community in the least restrictive setting.

Advancements in treatment delivery, involving the person in their own care and available medications are improving how care and treatment is delivered to persons who have been committed as MI&D. However, shortcomings in the physical plant at St. Peter have limited MSH's ability to provide the specialized treatment units that are needed to create the most effective and safe treatment environment.

Minnesota Sex Offender Program (MSOP) — MSOP is a specialized secure treatment program within the Direct Care and Treatment Administration (DCT). MSOP's primary mission is to provide sex offender treatment. MSOP is statutorily required to provide treatment and programming to the approximately 700 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 individualized treatment plans address all of the outlined areas and include components of contemporary evidence-based sex offender treatment methods. MSOP must have the ability to provide

services to any client who is willing to engage in treatment, while maintaining a safe and secure living environment. Clients' risk factors are targeted through their participation in core treatment and psycho-educational groups. Participation in rehabilitative programming (vocational, educational and recreational) is also very important as these settings provide environments for clients to apply skills learned in treatment and demonstrate meaningful change. Approximately 87 percent of the population actively participates in sex offender–specific treatment.

Clients in the earlier stages of treatment are typically placed at MSOP's Moose Lake facility. In the later stages of treatment clients are served on MSOP's St. Peter campus. The 2014 bonding bill authorized the renovation of parts of the Green Acres and Sunrise buildings to add beds outside of the highly secure center of the St. Peter campus. With the rise in the number of clients moving to less restrictive settings, the focus of the Department's facility requests has shifted to remodeling requests that will increase the number of Community Preparation Services beds on the St. Peter campus, and on constructing two state-owned and state-operated less restrictive facilities located elsewhere in the state. These changes will allow MSOP to provide placements for clients who are most appropriately treated in a less restrictive setting.

Anoka Regional Treatment Center (AMRTC) — The AMRTC is a 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. The facility is operating at its available capacity. 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. Instances of aggressive or destructive behavior have increased. Renovations are needed to ensure that the facility and its staff are well-equipped to meet the demands of the clients served.

Asset Preservation — Asset 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.

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 because of:

- An increased focus on early learning services as a way to promote school readiness and success, especially for low-income children, which typically increases general demand for early childhood facilities in the future;
- High quality early childhood programs that focus on the comprehensive needs of children and their families, often leading to increased community partnerships and an interest in co-locating services in a single space;
- An ongoing need for early childhood spaces to be safe and accessible and to meet DHS child care licensing standards;
- The recent rise of child poverty rates that increase the number of children eligible for early childhood services such as Head Start and Early Head Start;
- Increased demand on space for K-12 programming purposes (e.g. full-day kindergarten, expanded summer and before- and after-school programs) can limit options for early childhood programs in existing school buildings; and
- A need to upgrade space to fully benefit from current technologies (e.g. adaptive and assistive equipment) that are available for early childhood programs.

Self-Assessment of Agency Facilities and Assets

Direct Care and Treatment (DCT) St. Peter campus projects — Over the last 30 years the Department has requested and received funding to construct and/or remodel residential, program and supplemental facilities for the Anoka-Metro Regional Treatment Center (AMRTC), state-owned

community-based residential services, and the Minnesota Sex Offender Program (MSOP) at Moose Lake and St. Peter. In addition, the Legislature also provided funding necessary to reduce or eliminate the large amount of non-functional surplus space in the old State Operated Services institutional system. The last twelve years have seen the sale and reuse of the Regional Treatment Center (RTC) campuses at Willmar, Fergus Falls and Ah-Gwah-Ching, and the demolition of eleven unused buildings on the Brainerd campus in preparation for future re-development of a large portion of that campus.

DHS needs to provide adequate and appropriate facilities for the long-term operation of its programs. The 2016-2021 Six-Year Capital Plan includes the next phases of the long-range strategic plan for the St. Peter Campus, which over time will relocate all of the Minnesota Security Hospital (MSH) program activities to the upper campus. The plan will result in facilities that can better accommodate the specific treatment needs of persons committed as Mentally Ill and Dangerous (MI&D).

Phase 2 of the MSH project is a critical part of our work to create a safer environment for clients and staff. When Phase 2 is 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 within the MSH.

MSOP needs capacity on the St. Peter campus for clients in the later stages of treatment. Moving MSH programs to new facilities on the upper campus frees up buildings on the lower campus that can be renovated and dedicated to meet MSOP's residential and programing needs. Once renovated, the smaller living units in the Green Acres and Sunrise buildings will promote a much more therapeutic environment for clients progressing to the reintegration phase of treatment.

The 2016 projects at St. Peter move us closer to the goal of physically separating the MSH and MSOP programs on the St. Peter campus. Currently both programs have some individuals who are appropriately able to move about campus with limited control. While MSH patients are categorically considered vulnerable adults, MSOP clients are not. Allowing individuals from both programs to intermingle on the lower campus creates safety concerns for the MI&D population. Consolidating MSH programs on the upper campus will address this issue.

Anoka Metro Regional Treatment Center (AMRTC) Safety and Security Renovations — As the clients served at AMRTC have demonstrated more challenging behaviors, the need for renovations that will improve the environment of care and make the facility safer for patients and staff has become clear. For example, the main AMRTC building was completed in 1998, and the building lacks a facility-wide integrated camera monitoring system. As a result, some parts of the facility do not have any cameras. A camera monitoring system is crucial to augment staff, to assure that clients and staff are safe, and to document any issues that occur.

Some patients would benefit from spending time outside, but they have not achieved a level of stabilization that would allow them to leave their unit and safely use the large, central outdoor courtyard for needed reflection and de-escalation. Adding smaller, secure courtyard spaces to units that do not now have them will add significantly to the options available for those patients. Examples of other renovations that will improve staff safety are a facility-wide personal duress alarm system (also known as a "Person Down" system), and enclosing the Nurses Station on the second of two units for patients whose complex issues include aggressive behaviors.

The 2016 projects for AMRTC will help to make the environment of care at this facility safer for both patients and staff.

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. Sixty-eight projects have been completed since 1992, with demand for the grants far outpacing the availability of funds. Seven additional projects are underway.

Implementation of all-day Kindergarten has increased the demand for construction and rehabilitation of Early Childhood facilities. Because of this ongoing need and the increased demand for early childhood services, DHS' long-term plan anticipates that the Early Childhood Facilities grant program would conduct a statewide competitive RFP for these projects every other year.

Asset Preservation — 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 regularized funding to allow it to systematically address the repair, replacement, and renewal needs of the state-owned facilities it operates.

Agency Process for Determining Capital Requests

Each year, the DHS executive team conducts strategic planning for the department. Long-range strategic goals are confirmed and revised. Work plans for the priorities are constructed and budget and legislative proposals are the result of this work.

Grounded in these discussions, a planning team consisting of a subset of the DHS executive team reviewed and prioritized initial bonding proposals. The group then worked to prepare final proposals in line with the priorities and strategic objectives of the department.

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 for 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.

With respect to the Early Childhood Facilities capital grant program, the Department regularly receives feedback from Child Care Resource and Referral agencies and Community Action Agency grantees (who largely operate Head Start in Minnesota) about early childhood and anti-poverty programming needs, including early childhood facilities. Past surveys have demonstrated the growing need for early childhood facilities.

Major Capital Projects Authorized in 2014 & 2015
Laws of Minnesota 2015, Regular Session, Chapter 294, Section 18

Name of Capital Project	$ in thousands
Minnesota Security Hospital – St. Peter – Phase 1	$ 56,317
MN Sex Offender Program – St. Peter – Phase 1	$ 7,405
Early Childhood Learning and Child Protection Facilities (half of amount is for a pass-through grant)	$ 6,000
Asset Preservation	$ 3,000
Hennepin – St. David's Center (pass-through grant)	$ 3,750
St. Louis – AEOA and Range MH Center (pass-through grant)	$ 3,000
St. Paul – Dorothy Day Center (pass-through grant)	$ 6,000
Remembering with Dignity Project	$ 195

($ in thousands)

MN Security Hospital Phase 2

AT A GLANCE

2016 Request Amount:	$70,255
Priority Ranking:	1
Project Summary:	$70.255 million is requested to complete the design of, and construct, furnish and equip the second phase of the two-phase project to develop new and renovated residential, program, activity and support facilities on the upper campus of the St. Peter Regional Treatment Center for individuals committed to the Minnesota Security Hospital (MSH). This will allow for enhanced living, treatment, work, activity and program support space for patients at MSH and the facility's Transition Program. It will also address remaining safety and security issues that currently present unsafe living and working environments for MSH patients and staff.

Project Description

This requested MN Security Hospital Phase 2 project is the Department's top priority for the 2016 Capital Budget. MSH Phase 2 will continue to focus on improving MSH facilities to better serve the facility's most acute patients, provide more appropriate space for the pre-transition program within the existing MSH facility, and to develop the additional upper campus housing needed to complete moving Security Hospital patients who are in the Transition Program from lower to upper campus.

The MSH Phase 2 project will:

- Remodel four living units to provide 59 beds for Pre-transition patients and 12 beds for the acute women's unit (Unit 600)
- Demolish and reconstruct three existing split level bedroom wings into single-story space to provide a total of 58 beds for patients who need an acute level of care
- Construct a new 18-bed acute care unit (Unit 1000) adjacent to the existing 900 unit
- Expand transition housing on the upper campus by constructing an additional new 48-bed transitional housing unit
- Renovate the remaining areas of the original MSH building, addressing fire/life safety and other building code issues, and also renovating interior finishes, furnishings and fixtures
- Construct a new loading dock and small warehouse
- Improve HVAC/energy efficiency, security, technology systems, and the existing MSH utility infrastructure and building envelope

The estimated total cost for MSH Phase 2 is $70.255 Million. Completing both phases of this project will result in a net increase in total square feet for the St. Peter upper campus of approximately 173,150 square feet, for a total square footage of 408,598 square feet on the upper campus. This includes constructing approximately 212,680 new building square footage and demolishing approximately 39,525 square feet. In addition, the Phase 2 project will include renovating

approximately 97,821 of the existing MSH Building complex.

The 2014 Legislature appropriated funds to begin design for Phase 2. Project consultants are currently working on schematic plans. Construction documents are scheduled to be complete and ready for bidding by July 2016. Assuming this request is funded in the 2016 session, Phase 2 construction will begin by early fall 2016. The new Transition Building would be ready for occupancy by December of 2017, and all of the construction/remodeling proposed for the original MSH building would be complete and ready for full occupancy by fall 2018.

Project Rationale

The Minnesota Security Hospital (MSH) in St. Peter provides evaluation and treatment to individuals who have been civilly committed to the Commissioner of Human Services as Mentally Ill and Dangerous (MI&D), and to persons with mental illness when a criminal court has ordered evaluation and treatment before the start of a criminal trial.

This request (and the Department's second priority request for the Minnesota Sex Offender Program on the St. Peter lower campus) puts into place a logical long-range strategic plan for the St. Peter campus. This plan addresses four critical priorities:

- Creates a safer, more therapeutic treatment environment for Minnesota Security Hospital patients, reducing length of stay
- Creates a safer working environment for staff
- Physically separates vulnerable adults from predatory populations, by dedicating the upper campus at St. Peter for the Minnesota Security Hospital facility and its programs
- Creates flexible capacity on the lower campus for the Minnesota Sex Offender Program (MSOP) to meet program and bed space needs

This phased initiative will result in the eventual relocation of all of the MSH residential and program activities to the facility's upper campus. Both the Security Hospital and the Sex Offender Program currently have individuals who are housed on the lower campus and have reached the point in their treatment where they have earned the privilege of campus liberty (the ability to move about campus with limited control). While MSH patients are considered vulnerable adults, MSOP clients are not. Allowing individuals from both programs to circulate on the lower campus is not good policy and presents safety risks. The Department's plan for the campus separates the two populations by locating all MSH programs on the upper campus.

Other Considerations

MSH Phase 1 project scope focused on new construction to develop new MSH facilities to better serve the programs most acute patients, and to begin moving the Transition Program from the lower campus to the upper campus. This is the most direct way to provide the best care and to remedy the patient and staff issues that have been occurring at the Security Hospital. When Phase 1 is completed in the fall of 2016, patients and staff at the MSH will benefit from new facilities that provide:

- A new secure 4-bed Evaluation and 12-bed Crisis Units

- Two new 20-bed housing units for Acute patients
- One new 24-bed Transition unit (patients will be relocated from lower campus)
- New Social Center (includes space for treatment, education, vocation, recreation, dining, Mart/Canteen, and administrative functions)
- New Medical Clinic and Pharmacy
- New Central Plant, large enclosed Courtyard, and a secure enclosed walkway to connect the buildings

Phase 1 included construction of 139,304 new square feet.

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 Security Hospital (MSH). Costs are directly associated with the addition of living units that will require new staff and support costs.

Description of Previous Appropriations

2012: $ 3.683 million for predesign and design of the first phase of the two-phase Minnesota Security Hospital project.

2014: $56.317 million to complete the design of, and to construct, furnish and equip the first phase of a two phase project to remodel existing and develop new residential, program, activity and ancillary facilities for the Minnesota Security Hospital. This appropriation also included funding to begin design for the second phase of the project.

Project Contact Person

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Governor's Recommendation

The Governor recommends $70.255 million in general obligation bonds for this request.

($ in thousands)

MN Security Hospital Phase 2

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 60,000	$ 70,255	$ 0	$ 0
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 60,000**	**$ 70,255**	**$ 0**	**$ 0**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 0	$ 0	$ 0
Predesign Fees	$ 181	$ 0	$ 0	$ 0
Design Fees	$ 6,804	$ 3,363	$ 0	$ 0
Project Management	$ 1,432	$ 1,585	$ 0	$ 0
Construction	$ 50,266	$ 54,471	$ 0	$ 0
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 1,317	$ 2,431	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 8,405	$ 0	$ 0
TOTAL	**$ 60,000**	**$ 70,255**	**$ 0**	**$ 0**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 6,684	$ 13,369
Operating Budget Impact (FTE)	0.0	72.7	72.7

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 70,255	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS

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

M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	Yes
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
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
M.S. 16B.325(1): Sustainable Building Guidelines Met	Yes
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	Yes
Does the project demonstrate compliance with the standards?	Yes
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	Yes
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	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

($ in thousands)

Anoka Metro Regional Treatment Center: Safety and Security Renovations

AT A GLANCE

2016 Request Amount:	$2,250
Priority Ranking:	2
Project Summary:	$2.25 million is requested to upgrade/improve patient and staff safety at the Anoka-Metro Regional Treatment Center. This project will include the installation of a camera/monitoring and recording system; installation of a campus-wide personal duress system; an upgrade to the facility's limited electronic access control and exterior door lock system; installation of a computerized key control system; enclosing the Unit G nursing station; installation of security fencing, lighting, concrete walks/patios for the development of three additional outdoor activity areas; and improvements to three small existing residential living unit courtyards.

Project Description

The Department is requesting $2.25 million for a package of renovations that is designed to ensure that the environment of care at the Anoka Metro Regional Treatment Center remains safe, and that the facility and the staff who provide care are well equipped to serve the challenging patients admitted for treatment.

Camera Monitoring System

When the main Anoka Metro Regional Treatment Center (AMRTC) building was designed and constructed very few cameras were installed, and video storage capability was very limited. It is very important to install a modern camera/monitoring/recording system in the facility that integrates camera systems in all residential living units into one facility wide system.

Video cameras have been shown to be a deterrent to criminal acts. With higher number of patients who have criminal backgrounds a camera system would be beneficial in deterring acts of violence and property damage. Other benefits from a network based camera systems are patient and staff safety as the cameras can be monitored in a central location and at each unit's nursing station. Video footage can be very beneficial in investigating incidents at a facility, especially at a psychiatric facility. It can be used to establish who did what to who, or who was responsible for damaging or destroying property.

Personal Duress Alarm System

Personal duress alarm systems consist of sensors installed throughout patient care areas, and pendants or small transmitters carried by staff members that when pressed alerts the facility that a staff member needs assistance, who that staff person is, and where that person is located (down to the actual room they are in). Personal duress alarms provide faster emergency response by immediately communicating there is trouble and assistance is required to control the situation. For instance, when one or two staff are engaged with a patient that becomes aggressive and begins to act out; when staff need assistance from other staff if two or more patients become aggressive to each other. Personal duress alarm systems provide an obvious and tangible benefit with efforts to

improve patient and employee safety and often stop aggression before it escalates to the point of serious injury.

Key Control System and Access Control

AMRTC has been using the current key system since the building was constructed in 1998. Rekeying certain doors (exterior) and installing a key control system will improve security of the facility by ensuring there is customized access, according to staff duties. With electronic key cabinets all keys will be accounted for at any given time, and keys should never leave the facility. Modifying the exterior door key system will limit the number of door locks that would need to be changed in the event a set of keys was ever lost and should ensure facility security is maintained. In addition some improvements may be needed to access control systems for badge access to sensitive areas. Improving badge access improves security and facilitates improved crisis response.

Enclosure of Unit G Nursing Station

With the increase in patients being admitted from jail, Unit G has become an extension of Unit H. The Unit H nursing station was enclosed several years ago to provide a safer work area for staff members working on this unit and has shown good results. With Unit G now serving the same population, this additional measure of safety is needed for Unit G.

Unit Courtyards

Individual unit courtyards add significantly to the options available for programming, and space for reflection and de-escalation for patients who have not achieved a level of stabilization that allows them to leave their respective units, and to use the facility's large central outdoor courtyard. Three units do not currently have these individual unit courtyards. Three units do have secure courtyard space but these existing courtyards need security improvements and upgrading. The value these individual unit courtyards provide to promoting patient and staff safety and security is very clear from the experience with existing unit courtyards on H unit and the D and E units.

Project Rationale

The Anoka Metro Regional Treatment Center (AMRTC) serves people who have a mental illness in a large, campus-based setting. AMRTC treats patients from across the state, many of whom have complex medical histories. It is a 110-bed inpatient psychiatric hospital, divided into units. The main campus structure has been in service since 1998. The facility currently operates six residential treatment units in the main building, and one chemical dependency residential treatment unit in the Miller Building (constructed in 1951) which is attached to the main building by a connecting corridor.

Beginning in 2014 the acuity of patients admitted to AMRTC has increased, both in numbers of complex acute cases and increased levels of violence associated with the higher acuity. AMRTC is seeing Increases in admissions from jails, and a number of those admissions are patients with long histories of criminal behavior. The Department is requesting this capital project in order to ensure that the environment of care at AMRTC remains safe, and that the facility and the staff who provide care there are well-equipped to meet the demands of the changing patient population.

Other Considerations

Impact on Agency Operating Budgets

The Legislature provides a direct general fund appropriation for the Anoka Metro Regional Treatment Center (AMRTC). Analysis of this project's potential impact on the operating budget

reflects an increase in the operating cost related to ongoing maintenance and licenses for the camera and personal duress alarm systems included in this request.

Description of Previous Appropriations

None.

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Governor's Recommendation

The Governor recommends $2.25 million in general obligation bonds for this request.

($ in thousands)

Anoka Metro Regional Treatment Center: Safety and Security Renovations

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 0	$ 2,250	$ 0	$ 0
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 0**	**$ 2,250**	**$ 0**	**$ 0**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 0	$ 0	$ 0
Predesign Fees	$ 0	$ 45	$ 0	$ 0
Design Fees	$ 0	$ 183	$ 0	$ 0
Project Management	$ 0	$ 75	$ 0	$ 0
Construction	$ 0	$ 1,743	$ 0	$ 0
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 0	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 204	$ 0	$ 0
TOTAL	**$ 0**	**$ 2,250**	**$ 0**	**$ 0**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 225	$ 225
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 2,250	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS

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

M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
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
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	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

($ in thousands)

MN Sex Offender Program (St. Peter) Phase 2

AT A GLANCE

2016 Request Amount:	$14,500
Priority Ranking:	3
Project Summary:	$14.5 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 facilties 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.

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 a residential facility on the grounds of the St. Peter campus located outside of the secure perimeter.

Courts are granting transfer for clients to move to CPS at an increased rate. 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 of CPS beds and programming space on the St. Peter campus.

For that reason 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 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.

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 2016 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. When in the community, CPS clients are always escorted by staff and wear GPS ankle bracelet monitoring devices. 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 includes funding to design the second phase of the project.

Project Contact Person

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Governor's Recommendation

The Governor recommends $14.500 million in general obligation bonds for this request.

($ in thousands)

MN Sex Offender Program (St. Peter) Phase 2

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 7,405	$ 14,500	$ 15,500	$ 0
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 7,405**	**$ 14,500**	**$ 15,500**	**$ 0**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 0	$ 0	$ 0
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 1,088	$ 308	$ 999	$ 0
Project Management	$ 177	$ 451	$ 290	$ 0
Construction	$ 5,663	$ 11,215	$ 12,146	$ 0
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 477	$ 1,141	$ 584	$ 0
Inflationary Adjustment	$ 0	$ 1,385	$ 1,480	$ 0
TOTAL	**$ 7,405**	**$ 14,500**	**$ 15,499**	**$ 0**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 9,503	$ 16,890
Operating Budget Impact (FTE)	0.0	112.9	117.9

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 14,500	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS

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

M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	Yes
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
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
M.S. 16B.325(1): Sustainable Building Guidelines Met	Yes
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	Yes
Does the project demonstrate compliance with the standards?	Yes
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	Yes
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	N/A
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	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

($ in thousands)

MN Sex Offender Program Less Restrictive Alternatives

AT A GLANCE

2016 Request Amount:	$12,420
Priority Ranking:	4
Project Summary:	$12.420 million is requested to design and construct community-based residential treatment facilities for the Minnesota Sex Offender Program (MSOP) as Less Restrictive Alternatives (LRA) to current highly secure MSOP facilities. The request includes funding for land purchase, predesign and design fees, and construction for two facilities at sites yet to be selected.

Project Description

This request is for funds to purchase land for, and 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.

The property for each of these facilities will provide for staff and visitor parking, outdoor activities, and appropriate side, front and rear setbacks.

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 buy land for and construct two state-owned and state-run LRA facilities.

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

None

Project Contact Person

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Governor's Recommendation

The Governor recommends $12.420 million in general obligation bonds for this request.

($ in thousands)

MN Sex Offender Program Less Restrictive Alternatives

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 0	$ 12,420	$ 0	$ 0
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 0**	**$ 12,420**	**$ 0**	**$ 0**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 1,875	$ 0	$ 0
Predesign Fees	$ 0	$ 50	$ 0	$ 0
Design Fees	$ 0	$ 720	$ 0	$ 0
Project Management	$ 0	$ 530	$ 0	$ 0
Construction	$ 0	$ 6,820	$ 0	$ 0
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 880	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 1,545	$ 0	$ 0
TOTAL	**$ 0**	**$ 12,420**	**$ 0**	**$ 0**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 3,611	$ 5,760
Operating Budget Impact (FTE)	0.0	32.0	32.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 12,420	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS

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

M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	Yes
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
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
M.S. 16B.325(1): Sustainable Building Guidelines Met	Yes
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	Yes
Does the project demonstrate compliance with the standards?	Yes
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	No
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	N/A
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	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

($ in thousands)

Early Childhood Facilities

AT A GLANCE

2016 Request Amount:	$5,000
Priority Ranking:	5
Project Summary:	$5.0 million is requested to fund construction or rehabilitation of early childhood facilities owned by the state or a political subdivision. The purpose of this grant funding is to make sure that families across the state have access to early childhood programs housed in safe facilities. The Department of Human Services selects projects through a competitive Request for Proposal process and requires a 50% non-state match.

Project Description

Minnesota Statutes section 256E.37 [Early Childhood Learning and Child Protection Facilities] is a statewide grant program that helps fund construction or rehabilitation of facilities for early childhood programs, crisis nurseries, or parenting time centers. Early childhood programs include Head Start, School Readiness, Early Childhood Family Education, licensed child care, and other early childhood intervention programs. The facilities must be owned by the state or a political subdivision, but may be leased to organizations that operate the programs.

This statewide grant program supports children's school readiness. The Department of Human Services administers this competitive grant program. The department awards funding through a Request for Proposals (RFP) process. 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 million for a facility that houses three programs or more. State funding must be matched on a 50 percent basis with non-state funds. Priority will be given to projects that demonstrate how the grant can enhance or support providing early childhood services that improve children’s school readiness by meeting research-based program quality standards. Preference is given to proposals that demonstrate meaningful collaboration within a community.

Priority may be given to projects that collaborate with child care providers, including all-day and school-age child care programs, special needs care, sick child care, nontraditional hour care, programs that include services to refugee and immigrant families, programs that will increase their child care workers' wages as a result of the grant, and projects that will improve the quality of early childhood programs.

Project Rationale

Quality preschool and early childhood facilities promote better outcomes for children. In communities across the state, Head Start and other early childhood programs need state funding to help construct new or renovate older facilities that have become substandard or that are not appropriately configured for early childhood programs.

These grant funds allow local service providers to deliver safe, accessible, high quality services to increased numbers of young children and their families. The need for early childhood facilities is

driven by requirements that space be safe and accessible. Early childhood programs must comply with Department of Human Services child care licensing rules. In many parts of the state, it is difficult to find existing space that is safe and age appropriate; therefore, this funding is a catalyst for collaboration between cities, counties and school districts to improve early childhood facilities and promote better outcomes for children.

Investing in early childhood through improving the facilities that house the programs helps create jobs and meet the growing demand for high quality early learning experiences. Demand is growing as low-income Minnesota families access high quality early childhood programs, including Minnesota Early Learning Scholarships Program and child care subsidies tied to high-quality programs, and as they use information published by Parent Aware, Minnesota's Quality Rating & Improvement System. Implementation of all-day Kindergarten has increased the demand for construction and rehabilitation of Early Childhood facilities. Early childhood programs are being displaced or relocated to less desirable space to make room for all day Kindergarten.

Other Considerations

To have lasting impact, funding for this grant program should be regularized and sustained. That is why this request also includes planned requests of $5 million in the 2018 and 2020 bonding cycles.

Impact on Agency Operating Budgets

The department is redirecting resources to manage the current RFP processes, grant development and oversight activity associated with the Early Childhood Learning and Child Protection Facilities grant program. With $5 million funding requested for 2016, and with an average cost of $500,000 per project, eight to ten projects could be ready to begin construction/rehabilitation in spring of 2017. Managing that number of projects is a significant additional workload. At this time the department does not plan to seek additional administrative resources, but if the program were to grow much beyond the level of this request, agency management will revisit the department's ability to manage the workload.

Description of Previous Appropriations

- A total of $6 million in 2014 for the Early Childhood Facilities program: $3 million for program and an additional $3 million earmarked for a project in Hennepin County for the early childhood center at the YWCA of Minneapolis. Seven projects have been funded with the $3 million program appropriation.
- $1.9 million in 2011. Five projected were funded with this appropriation.
- $500,000 in 2006. Three projects were funded; one was later withdrawn due to population shifts.
- $500,000 in 2005. Two projects were funded.
- $2 million in 2000. Six projects were funded.

Project Contact Person

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Governor's Recommendation

The Governor recommends $15 million in general obligation bonds and $5 million in general fund cash for this request. Also included are budget estimates of $5 million for each planning period for 2018 and 2020.

($ in thousands)

Early Childhood Facilities

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 7,900	$ 5,000	$ 5,000	$ 5,000
Funds Already Committed				
Other Local Government Funds	$ 10,116	$ 0	$ 0	$ 0
Pending Contributions				
TOTAL	**$ 18,016**	**$ 5,000**	**$ 5,000**	**$ 5,000**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
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	$ 18,016	$ 5,000	$ 5,000	$ 5,000
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	**$ 18,016**	**$ 5,000**	**$ 5,000**	**$ 5,000**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
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.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	Yes
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	Unsure
Has the predesign been submitted to the Department of Administration?	Unsure
Has the predesign been approved by the Department of Administration?	Unsure
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	Unsure
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	Unsure
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	Yes
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	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?	N/A
Is the required information included in this request?	N/A

($ in thousands)

System-Wide Asset Preservation

AT A GLANCE

2016 Request Amount:	$7,000
Priority Ranking:	6
Project Summary:	$7 million to maintain and preserve the Department's capital assets around the state. This will ensure that the facilities used for State Operated Services and Minnesota Sex Offender Program 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 their 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 represent 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.

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.

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 $1.500 million in general obligation bonds for this request. Also included are budget estimates of $1.500 million for each planning period for 2018 and 2020.

($ in thousands)

System-Wide Asset Preservation

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 11,700	$ 7,000	$ 6,000	$ 5,200
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 11,700**	**$ 7,000**	**$ 6,000**	**$ 5,200**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 0	$ 0	$ 0
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 1,096	$ 643	$ 547	$ 474
Project Management	$ 653	$ 230	$ 235	$ 219
Construction	$ 9,951	$ 6,127	$ 5,218	$ 4,507
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	**$ 11,700**	**$ 7,000**	**$ 6,000**	**$ 5,200**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
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	$ 7,000	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
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
M.S. 16B.325(1): Sustainable Building Guidelines Met	Yes
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	Yes
Does the project demonstrate compliance with the standards?	Yes
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	N/A
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	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