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2000-2005 MINNESOTA STRATEGIC CAPITAL BUDGET PLAN

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Health & Human Services

Presented by Governor Jesse Ventura
to the 81st Legislature

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-INDEX-

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The 2000-2005 Minnesota Strategic Capital Budget Plan ***Executive Summary*** and ***Requests for Each Agency*** can be viewed at the Department of Finance's web site at: http://www.finance.state.mn.us/cb

This document is available in an alternate format.

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AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands ($137,500 = $138)

Project Title	2000 Agency Priority Ranking	Agency Project Requests for State Funds ($ by Session)				Statewide Strategic Score	Governor's Recommendation 2000	Governor's Planning Estimate	
		2000	2002	2004	Total			2002	2004
System-Wide Roof Repair/Replacement	1	$1,971	$2,498	$3,689	$8,158	435	$1,971	$2,000	$2,000
System-Wide Asset Preservation	2	3,000	4,889	5,303	13,192	470	3,000	3,000	3,000
Predesign/Design - New DHS Building	3	22,229	184,541	0	206,770	245	0	0	0
CRHSC - Demolish Bldgs. 1,2,3,4,5,6,12 & 14	4	1,500	0	0	1,500	405	1,500	0	0
SPRTC - Upgrade Shantz & Pextons Bldgs.	5	7,200	8,900	0	16,100	435	7,200	8,900	0
FFRTC - Facilities Study for Upgrade	6	500	2,006	29,141	31,647	325	250	0	0
METO - Install Replacement Heating System	7	1,200	0	0	1,200	190	0	0	0
AMRTC - Remodel Miller Building	8	5,074	0	0	5,074	200	0	0	0
BRHSC - Building #20 Improvements	9	5,765	0	0	5,765	335	0	0	0
METO - Renovate Bldg.#18 for METO Admin.	10	1,140	0	0	1,140	180	0	0	0
SPRTC - Bartlett/Sunrise Improvements		0	3,662	0	3,662		0	0	0
AGCC - Install Sprinklers - Non Res. Areas		0	850	0	850		0	0	0
FFRTC - Building Demolition		0	650	0	650		0	0	0
BRHSC - Boiler Renovation/Upgrade		0	700	0	700		0	0	0
WRTC - Building Demolition		0	300	300	600		0	0	0
SPRTC - Bldg. Demolition		0	400	0	400		0	0	0
AGCC - B/C Residential Unit Remodeling		0	2,300	0	2,300		0	0	0
WRTC - Service Building Improvements		0	500	0	500		0	0	0
BRHSC - Remodel Dietary Department		0	1,200	0	1,200		0	0	0
BRHSC - Tunnel Water Proofing		0	2,500	0	2,500		0	0	0
WRTC - Contruct New Storage Building		0	250	0	250		0	0	0
WRTC - Tunnel and Utility Improvements		0	500	0	500		0	0	0
MSSPTC - Contruct 50-bed Addition		0	0	9,000	9,000		0	0	0
AGCC - Remodel A/D Buildings		0	0	2,300	2,300		0	0	0
AGCC - Remodel E- Bldg. & Install Elevator		0	0	2,600	2,600		0	0	0
WRTC - Remodel Building #8		0	0	1,250	1,250		0	0	0
Total Project Requests		$49,579	$216,646	$53,583	$319,808		$13,921	$13,900	$5,000

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AGENCY MISSION STATEMENT

The Department of Human Services (DHS), is the state agency directed by law to assist citizens whose personal or family resources are not adequate to meet their basic human needs, including the need for food, shelter, and health care. Its mission is to help citizens to attain the maximum degree of self-sufficiency consistent with their individual capabilities. To this end, the department focuses on ways to assure the dignity, safety, and rights of the individual while maintaining public accountability and trust through responsible use of available resources. To achieve this mission, DHS uses several strategies:

- implementation of policies and procedures to direct federal and state funds to eligible persons and to those health care and social service professionals who provide services to persons in need;
- technical assistance to counties to plan, develop, and implement case management and service delivery infrastructures;
- regulation of services and programs; and
- provision of direct services to clients.

The DHS capital budget requests are made for betterments at the State Operated Services sites and to consolidate the 8 metro locations of the department's central office into one new office building that the state would own.

Continuing Care is part of DHS which defines statewide policy for long term supportive services that are necessary to maintain the elderly, persons with physical disabilities, mental illness, developmental disabilities and chemical dependency in settings which are consistent with their maximum level of functioning. Included within Continuing Care is the Eastern Minnesota State Operated Community Services Program (EMSOCS), and the state's 8 regional treatment centers (RTCs). They are:

- Ah-Gwah-Ching Center (AGCC)
- Anoka-Metro Regional Treatment Center (AMRTC)
- Brainerd Regional Human Services Center (BRHSC)
- Cambridge Regional Human Services Center *
- Fergus Falls Regional Treatment Center (FFRTC)
- Moose Lake State Operated Services (MLSOS), Including the Minnesota Sexual Psychopathic Personality Treatment Center (MSPPTC)
- St. Peter Regional Treatment Center (SPRTC), including the Minnesota Security Hospital (MSH)
- Willmar Regional Treatment Center (WRTC)

* The Cambridge campus is the site of the Minnesota Extended Treatment Option Program (METO).

The role of the RTCs is to assist persons with mental illness, developmental disabilities, chemical dependency, and psycho-geriatric treatment needs to achieve their maximum degree of self-sufficiency in the most appropriate and least restrictive setting possible. The Minnesota Security Hospital in St. Peter provides multi-disciplinary forensic evaluation and treats disorders, which may manifest into severely aggressive and/or dangerous behaviors. In addition, Minnesota Sexual Psychopathic Personality Treatment Center (MSPPTC) at Moose Lake provides sex offender treatment to individuals committed as persons with sexual psychopathic personalities or as sexually dangerous persons.

TRENDS, POLICIES AND OTHERS ISSUES AFFECTING THE DEMAND FOR SERVICES, FACILITIES, OR CAPITAL PROGRAMS

Trends -Central Office
In the 1980s, DHS centralized its offices at 444 Lafayette Road in St. Paul. In the intervening years a number of policy decisions have affected growth and the dispersal of staff to other sites. These decisions were predicated on the idea of more effectively managing statewide human services business between DHS and the 87 counties. The automation of public welfare eligibility determinations by linking the 87 counties and DHS through the MAXIS computer system was a huge change. From MAXIS came the opportunity to use economies of scale and centralize welfare benefit distribution from one site in St. Paul rather than continuing with the inefficiencies and taxpayer costs of distribution from 87 counties.

What this centralization and use of systems has meant is consciously shifting costs from the local or county human services system to the state in order to get overall benefits to taxpayers and to provide better service to its clients. This has also meant staff growth in the systems area and more space needs for equipment and staff to perform centralized duties.

The state's role in providing health care coverage for low income, uninsured children and families also grew with the advent of MinnesotaCare and so did the need for more space. With MinnesotaCare, DHS assumed the roles and tasks associated with an insurance company providing coverage to over 100,000 enrollees including eligibility determination, premium collection and customer service.

Trends -Continuing Care/ State Operated Services
Since its peak in 1960, when state operated residential facilities served an average daily population of 16,355 persons, RTC population levels have steadily declined as part of a deliberate state strategy to integrate persons with disabilities into their home communities where it is beneficial and appropriate to do so. The present licensed capacity of the RTC system is 3,031 beds and the RTCs collectively serve an average daily population of approximately 1,456 persons on their campuses.

This downsizing trend is a result of advances in the treatment of persons with disabilities, coupled with a recognition that all individuals can participate at some level in the activities of daily life in community settings. With increased emphasis on creative and flexible client services in the community, the need for institutional based services will continue to decline. The definition of the state's "safety net" for vulnerable populations is evolving. More and more this "safety net" function emphasizes outreach, training for community providers and crisis intervention in the community instead of the historic practice of removing the client from home or community and placing them in RTC campus based programs. The size and nature of the RTC campus-based operations will change. Over the next decade RTCs will likely move toward specialized programs that are smaller, more accessible, and focus on intensive treatment and faster return to the community. As a result, the state is faced with an ever-increasing excess capital capacity on the RTC campuses; requiring significant funds to be diverted from client services without any value added benefit to clients.

Mental Illness (MI)

Mental Illness programs are operated at Anoka, Brainerd, Fergus Falls, St. Peter, and Willmar. MI services administered through Moose Lake State Operated Services are located in community settings. The RTC MI average daily population was 969 in March 1999, including 169 patients served by MSH, and 145 PP patients served by MSPPTC at Moose Lake and St. Peter. Since 1984, RTC annual admissions and discharges have increased dramatically, but average daily population has remained stable due to significant reductions in the average length of stay. In the past patients often spent a year or more in treatment, today the average length of stay at RTCs is less than 100 days. This decline is directly attributable to the development of new psychotropic medications that have been successful in controlling the symptoms of mental illness.

Another factor influencing the utilization of RTC psychiatric hospital beds has been the inequitable distribution of resources given the state's current population distribution. For example, over 50% of MI admissions to the RTCs are from the Twin Cities metropolitan area; however, AMRTC, which serves 6 of the 7 metropolitan counties has only 20% of the RTCs MI bed capacity. As a result, people living in the metropolitan area who are committed by the courts for psychiatric treatment had to be diverted to other RTCs for their care. This created problems for families and county case managers who are essential members of most patients' treatment teams. In 1995, DHS took deliberate steps to systematically redistribute staff resources. However, in recognition of the state's commitment to community based care, staff resources were assigned to community outreach functions. This permitted the state to reduce the planned bed capacity of the new AMRTC psychiatric hospital from 300 to 150 beds, while still effectively meeting the needs of patients in the metropolitan area.

Also in 1995, the department began establishing creative partnerships between the RTCs and the local mental health authorities in the regions served by the RTC. The purpose behind this effort is to build upon and strengthen the existing community mental health system and utilize state staff and resources to support patients after they are discharged from the hospital and to help clients to handle crises in the community so that re-hospitalization is averted. Implementation of these efforts continues and should result in even further reductions in campus based psychiatric services and downsizing of on-campus bed capacity. In recognition of this, the department has initiated site planning on all campuses with MI programs. While the RTC MI programs are undergoing significant change, the cyclical nature of mental illness will require continued need for campus-based psychiatric hospital programs.

Psychopathic Personality/ Sex Offender Needs

In the early 1990s the state experienced a growth in the number of individuals committed as psychopathic personalities (PP). Based on projected referrals to the program, a 100 bed secure facility in Moose Lake and a 50-bed expansion of the Minnesota Security Hospital in St. Peter have been built to accommodate projected need. In May 1995 there were 76 persons under PP commitment, with referrals to the programs occurring at approximately 1 per month. In October 1997 there were 121 individuals at both locations, and referrals to the program had increased to nearly 2 per month bringing the population to 145 in March 1999.

Two additional 25-bed units were approved to be built at the Moose Lake facility in 1998. These beds are scheduled to be ready for occupancy during the summer of 2000. The level of referrals continues at approximately 2 per month, or nearly 25 per year, resulting in an average net growth of approximately 19 per year. As a result, there is a need to continue planning and development of additional secure capacity for the PP/sex offender program for both the short and long term.

Developmental Disabilities (DD)

In 1960 the RTCs provided residential care for 6,008 individuals with mental retardation and other developmental disabilities. By the end of F.Y. 1997, this number had declined to 244. By the end of the 2000-2001 biennium, the department expects to complete the transition to community placements for the remaining population. This downsizing of campus-based DD programs has been accomplished in part through the development of state operated day training and habilitative programs and waiver services homes in community settings. Some of these services are delivered in leased residential space, while others are provided in state owned homes. "Safety net" services for persons with developmental disabilities have been redefined to include community support service teams throughout Minnesota, and a small treatment facility on the Cambridge RTC campus. The METO (Minnesota Extended Treatment Option) program has an authorized capacity of up to 72 individuals who present a public safety risk and/or who have involvement with the criminal justice system. Construction of the residential facilities for 36 beds was completed this spring. Construction of 12 additional beds is currently underway. At present there is only a projected need for 48 specialized beds for this population. However, the design of the METO residential units will allow for incremental bed development in modules of 6 or 12 should additional capacity be required in the future.

Chemical Dependency (CD)
Since January 1988, the RTC CD programs have operated as enterprise funds and compete in the marketplace with other vendors for CD funding from the Consolidated Chemical Dependency Treatment Fund and other third party sources. The average daily population as of March 1999 was 197. The state operated CD system has captured a defined market niche and the operations remain stable and profitable.

Nursing Homes (NH)/Long Term Care
The department's involvement as a provider of NH services is principally limited to the AGCC, which is licensed for 343 beds and has an average daily population of 167 as of March 1999. In addition, BRHSC operates a small, 28-bed program.

Other Forces Impacting Capital Planning
As campus-based restructuring of RTC services continues, and as the "safety net" is redefined to include more community outreach and other wrap-around services there will be more buildings declared as surplus. As the resident tenant of state property, the responsibility to maintain vacant and unused buildings and grounds falls to the RTC system. The costs of these maintenance efforts are consuming a greater proportion of the funding allocated to the state operated system. This trend will continue unless steps are taken to sell the surplus property or to demolish surplus buildings. This trend is further complicated by the fact that all of the state operated CD programs and nearly all of the state's services for developmental disabilities are revenue-based programs, with more enterprise activities authorized for the future. Reimbursement levels under Medical Assistance and other third party sources are unable to bear the costs of this overhead without seriously affecting the ability of the programs to be competitive in the health care marketplace.

PROVIDE A SELF-ASSESSMENT OF THE CONDITION, SUITABILITY, AND FUNCTIONALITY OF PRESENT FACILITIES, CAPITAL PROJECTS, OR ASSETS

Self-Assessment – Central Office
While the rationale for a consolidated DHS central office is explained in more detail on its budget page, the current use of 8 rental sites is no longer functional for the following reasons:

- Current space is not a good value for taxpayer money. The cost of continuing to lease current DHS offices is more expensive than building to own.
- Current space will not meet the needs for increasing reliance upon technology. Current mechanical, electrical and network infrastructure will require extensive and expensive upgrades. This is not a good investment for buildings the state does not own.
- Staff is now shuttling between 8 locations to do basic work, losing time in productivity and opportunities to easily collaborate on service delivery for clients.
- Citizens seeking services and business partners must also travel among locations, furthering a belief that government is insensitive. This presents a public image that does not mesh with the Department's mission to promote the dignity, safety and rights of the individual, as well as ensuring public accountability and trust through responsible use of resources.

Self Assessment – Continuing Care/State Operated Services
Most RTC facilities were constructed before active treatment became a national and state requirement. With the exception of the buildings at Brainerd and St. Peter, the residential and program facilities associated with the department's capital plan are generally over 50 years old. A majority of these buildings were built at the turn of the century and were designed for a much different philosophy of care. Most of these buildings need extensive mechanical and structural renovation. A majority of the buildings are not equipped with modern heating, ventilating, and air conditioning systems.

These inadequate living and program environments inhibit active treatment and are not conducive to modern treatment techniques. In fact, they create some environments with safety and clinical challenges. Their linear design (i.e., long double loaded corridors), poor configuration (patient care wings separate patients from staff both visually and physically), and structural design (i.e., placement of existing bearing columns/walls) also limit their potential for remodeling to provide the necessary supervision, privacy, and appropriate space configuration required for modern psychiatric treatment programming.

DESCRIBE THE AGENCY'S LONG-RANGE STRATEGIC GOALS AND CAPITAL BUDGET PLAN

Historically, one of the primary roles of State-Operated Services in the mental health system has been to provide inpatient care to persons with serious and persistent mental illness (SPMI). This also happens to be one of the most expensive services in the mental health system, and to the extent that there is over-capacity in those programs, resources are not available for other important community mental health programs.

The first strategic objective is to reduce the cost of caring for SPMI patients in a way that does not compromise quality of service. The department seeks to accomplish this objective by keeping the number of long-term SPMI beds to a minimum, by taking steps to reduce the lengths of stay of SPMI patients, and by redirecting staff resources to outreach services in the community. The successful closure of Moose Lake Regional Treatment Center in 1995 and the current creative partnerships established through the MI pilot law, demonstrate evidence of the success of the state's community integration policy.

A second strategic objective for the 6-year capital plan is to replace and/or upgrade aging and inadequate residential and program facilities with upgraded and improved facilities. This strategy would be pursued based on the proposed bed capacity required to meet the psychiatric hospital needs of the areas once community integration is completed. Master site plans developed for each campus take into consideration the redefined "safety net" services which the state will continue to provide, anticipated time frames for reduction of campus bed capacity, and the lead time necessary for completion of construction or remodeling projects.

The third strategic objective focuses on asset preservation. This objective centers on the need to address critical repair, replacement, and renewal needs specific to the physical plants of the regional treatment centers. These needs have developed over a long period of time, and represent a system-wide assessment of: 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, tuckpointing; and other building envelope work such as window replacement, elevator repairs/upgrades, and road and parking lot maintenance.

As indicated above, asset preservation projects included in this capital plan are consistent with the anticipated needs of the evolving state operated mental health service system.

In summary, the department proposes a multi-phase restructuring and modernization of RTC health care facilities to:

- Assure more equitable access to treatment opportunities for persons with major mental illness by repositioning some RTC psychiatric capacity to alternative community sites, both through state operated community services and through creative partnerships with community vendors.
- Modernize/upgrade state-operated psychiatric facilities to make them more conducive to active treatment.
- Complete the transition of the large congregate care campus based services for persons with DD to community based residential and day.
- Surplus non-utilized property, and demolish non-functional buildings.
- Work aggressively to convert surplus physical facilities to other ownership or to alternative uses under cost effective lease arrangements.

AGENCY PROCESS USED TO ARRIVE AT THESE CAPITAL REQUESTS:

Agency Process-Central Office

The department received a proposal from its landlord in Lafayette Park in 1997 to construct a new facility and consolidate the central offices. The Departments of Finance and Administration directed the Department of Human Services to explore other options including the construction of a state-owned facility to meet its needs.

The Department of Human Services developed a participatory process, driven by basic questions such as, how is DHS organized? How do employees work together, communicate with each other and their business contacts? How do customers interact with the Department? The approach has been one of developing a strategy that furthers the DHS mission and builds on organizational strengths. The project team interviewed over 50 leaders throughout the Department and identified several key issues of critical importance to decision-makers. They held a workshop in which 120 employees discussed several potential facilities scenarios and developed recommendations for further planning. The team also surveyed over 900 employees to help focus planning energies in the areas that will have the most impact on efficiency and effectiveness. This proposal is a result of the facilities master-planning process.

Agency Process -Continuing Care / State Operated Services

Early in 1997 the agency conducted a 2-day strategic planning conference for State Operated Services. The purpose of this conference was to initiate the process for developing and upgrading long-range strategic goals and objectives for their operations.

With these goals and objectives in mind, each State Operated Service program was asked to establish a well defined, long-range operational program for its facility. These operational programs are updated biennially with the intent to outline and describe services to be provided, methods of delivering these services, and resources required for providing these services in the future. These operational programs must demonstrate a strategic link to the agency's system-wide strategic plan.

Upon review and approval of each facility's operational strategic plan, the facilities initiate campus master planning (long-range capital planning). This process should include:

- a comprehensive facilities analysis and planning program,
- identification of viable alternatives for meeting future physical plant needs;
- identification of any surveys or studies (predesign) that may be required to assess viable alternatives;

- a long range space utilization plan;
- and a preliminary campus master plan.

After completion of this work each facility is required to revise their long-range (6-year) facilities budgets, which outline all capital projects proposed for the facility. All known physical plant deficiencies, scheduled maintenance, or proposed/required improvements are evaluated and listed in the appropriate budget category (R&R, R/R Special Projects, Asset Preservation, CAPRA, Capital, etc.) This information is used to:

- establish potential costs associated with 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;
- develop recommendations for the agency's senior staff to review and consider for inclusion in the agency's Six-Year Capital Budget Plan.

This information is then utilized to develop the agency's Six-Year Capital Budget Plan. We believe the following 6-year plan outlines an incremental plan for improving and upgrading the physical plant resources required to support future operational programs at the State Operated Services facilities in accordance with the strategic goals and objectives outlined in preceding sections of this Strategic Planning Summary document.

In addition, the 2000-2005 capital budget request includes a plan to design and construct a new office building to meet the future space needs of the department, and to consolidate the agency's multiple metro area offices. The project narrative for this request outlines how the state will realize significant savings for the agency's long-term space costs. It also points out the economies of scale for having agency operations located centrally.

AGENCY CAPITAL BUDGET PROJECTS DURING THE LAST SIX YEARS (1994-1999):

		(in $000s)
Laws of Minnesota, 1994, Chapter 643, Section 8		$ 47,550
State-Wide	Homes for State Operated Waiver Services (SOCS)	$ 8,835
Anoka RTC	Predischarge Program	$ 1,500
Anoka RTC	Consolidate and Restructure campus	$ 37,000
St. Peter RTC	Air condition Tomlinson Hall	$ 215
Laws of Minnesota, 1996, Chapter 463, Section 17		$ 8,807
System-Wide	Asset Preservation	$ 1,000
Anoka RTC	Design Miller Building Renovation	$ 322
Brainerd RHSC	Upgrade HVAC	$ 1,500
Cambridge RHSC	Remodel/construct Residential/ Program Space for 36 METO beds	$ 3,400
Willmar RTC	Residential/Program Space Remodeling Adolescent Treatment Program	$ 2,500
Laws of Minnesota, 1998, Chapter 404, Section 18		$ 19,600
State-Wide	Roof Repair and Replacement	$ 1,900
State-Wide	Asset Preservation	$ 4,000
METO	Construct 12 beds	$ 1,500
MSPPTC	Construct 50-bed addition	$ 8,000
Crisis and Respite	Residential Capacity	$ 1,200
WRTC	Renovate MTC and Cottage 14	$ 3,000

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2000 STATE APPROPRIATION REQUEST: $1,971

AGENCY PROJECT PRIORITY: 1 of 10

PROJECT LOCATION: System-wide

PROJECT DESCRIPTION:

This project request outlines system-wide roof repair and replacement needs for the Department of Human Services (DHS) state-operated service facilities. The projects included in this request range from repair/replacement of existing flashing materials to total roof system replacement. All of the buildings included in this request have roofs or certain roof system components that have reached or exceeded projected useful life. Repairs or replacements are needed to prevent subsequent damage to other components of the buildings.

In recent years, asset preservation has become a fundamental component of the capital budget process. The key objective of asset preservation is to help reduce the amount of deferred maintenance and deferred renewal referred to as the "capital iceberg." Roof repair and replacement is generally considered an asset preservation project. Because of the system-wide scope of roof repair/replacement for facilities and the potential ramifications associated with not maintaining the waterproofing integrity of roofs, DHS has separated roof repair/replacement from other asset preservation projects in this budget request. Other asset preservation projects are identified in the department's 2000-2001 capital budget request.

Roofs and related components require scheduled maintenance and eventually replacement. Most roofs included in this request have exceeded their projected useful life. The estimated cost of the projects requested for 2000-2001 range from $20 thousand to $590 thousand.

Each of the department's facilities is required to have a 6-year roof maintenance and repair and replacement plan for their campus. These plans must support the future need and projected use of the buildings being proposed for major roof repair/replacement expenditures. Buildings proposed for roof replacement are not evaluated simply on the building's roof system deficiency, but rather on an assessment of the building's overall condition, current utilization, and projected or proposed future use. A list outlining the roofing projects this request is based on is available upon request.

The RTCs must also demonstrate that a building's life cycle characteristics and program suitability are in balance and that the building warrants the cost of roof replacement before a building is added to the department's schedule. Other options include continued repairs, non-action (no repair or replacement), or in some cases demolition may be considered to be the most economical and prudent choice of action. Because of the continued downsizing of facilities and/or the deactivation of individual buildings, these issues are also considered when determining if it is appropriate to seek or expend capital appropriations.

Each of the department's facilities is responsible for preventive maintenance, inspection, and long-term replacement scheduling of their buildings' roofing systems. They are also responsible for maintaining a list of other projects required preserving their fixed assets. These lists are perpetual and ever changing. They are comprised of projects that are directly related to asset preservation, deferred maintenance and deferred renewal. Projects related to new construction, facility adaptation, or program remodeling are not included on these lists and require a separate source of funding.

If a new roof project is identified for the 6-year roof schedule, facility and agency staff and/or professional roofing consultants evaluate the seriousness of deterioration, remaining life expectancy, alternatives for repair or replacement, etc. This information is used to determine the most appropriate method of project funding. Alternative funding methods include operating budgets (repairs and betterments), CAPRA funds (controlled by the Department of Administration), and capital budget requests (generally appropriated on a 2-year cycle).

Funding of this request will enable the department to continue efforts to maintain what it considers the most critical component of any building; it's roofing system, in good repair. Failure to fund this request will only compound the related problems in the future, which could result in deterioration to both structural and finish components of the buildings.

Funding of this request will also enable the department to direct specific funds toward roof maintenance of its buildings at the RTCs and ensure the integrity of the maintenance of it's roofing system. Full funding would enable the department to direct any subsequent asset preservation or CAPRA appropriations to other areas of deferred maintenance at DHS facilities.

IMPACT ON AGENCY OPERATING BUDGETS (FACILITIES NOTE):

Lack of funding of this request or limited funding of the state-wide CAPRA request would require the use of limited repair and replacement operating funds to address critical roof repair and replacement projects. This action would limit the agency's ability to address routine preventative facility maintenance and actually compound the deferred maintenance problem this request is attempting to address.

OTHER CONSIDERATIONS:

Deferred repairs or replacement of roof systems can result in significant increases in total costs. Leaking roofs can damage interior surfaces and jeopardize structural integrity. Leaking roofs can ruin roof insulation, cause significant damage or deterioration to roof decks, deteriorate HVAC and electrical systems, and cause significant damage or destruction of program equipment and furnishings.

In addition, failure to address leaking roofs can cause the development of serious indoor air quality problems by generating conditions, which facilitate mold growth and contamination. Mold contamination can become a serious health issue and can result in the vacating of a building until the problem is corrected.

Vacating a residential building at an RTC would cause significant programmatic problems. This situation would not only increase costs associated with roof maintenance/replacement, but would have a dramatic impact on the operating cost of the affected program.

PROJECT CONTACT PERSON, TITLE, ADDRESS, PHONE, FAX, AND E-MAIL:

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Dollars in Thousands ($137,500 = $138)

TOTAL PROJECT COSTS All Years and All Funding Sources	Project Costs All Prior Years	Project Costs FY 2000-01	Project Costs FY 2002-03	Project Costs FY 2004-05	Project Costs All Years	Project Start (Month/Year)	Project Finish (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	$0	$0	$0	$0	$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign **SUBTOTAL**	0	0	0	0	0		
3. Design Fees							
Schematic	0	24	28	37	89	07/2000	10/2000
Design Development	0	30	36	50	116	08/2000	02/2001
Contract Documents	0	62	73	98	233	09/2000	04/2001
Construction Administration	0	40	45	62	147	09/2000	06/2001
SUBTOTAL	0	156	182	247	585		
4. Project Management						07/2000	07/2002
State Staff Project Management	0	0	0	0	0		
Construction Management	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
5. Construction Costs						09/2000	06/2002
Site & Building Preparation	0	0	0	0	0		
Demolition/Decommissioning	0	0	0	0	0		
Construction	0	1,560	1,813	2,470	5,843		
Infrastructure/Roads/Utilities	0	0	0	0	0		
Hazardous Material Abatement	0	0	0	0	0		
Construction Contingency	0	79	90	125	294		
SUBTOTAL	0	1,639	1,903	2,595	6,137		
6. Art **SUBTOTAL**	0	0	0	0	0		
7. Occupancy							
Furniture, Fixtures and Equipment	0	0	0	0	0		
Telecommunications (voice & data)	0	0	0	0	0		
Security Equipment	0	0	0	0	0		
Commissioning	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
8. Inflation							
Midpoint of Construction		07/2001	07/2003	07/2005			
Inflation Multiplier		9.80%	19.80%	29.80%			
Inflation Cost **SUBTOTAL**		176	413	847	1,436		
9. Other **SUBTOTAL**	0	0	0	0	0		
GRAND TOTAL	$0	$1,971	$2,498	$3,689	$8,158		

Dollars in Thousands ($137,500 = $138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	1,971	2,498	3,689	8,158
State Funds Subtotal	0	1,971	2,498	3,689	8,158
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	**0**	**1,971**	**2,498**	**3,689**	**8,158**

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	0	0	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	0	0	0
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	0	0	0
Change from Current FY 2000-01		0	0	0	0
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	1,971	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
No	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
Yes	MS 16B.335 (2): Other Projects (Legislative Notification)
No	MS 16B.335 (3): Predesign Requirement (Administration Dept)
No	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Dollars in Thousands ($137,500 = $138)

Department of Administration Analysis:

12/7/99

NA.

Department of Finance Analysis:

Roof repair and replacement is critical to the agency's mission, asset preservation strategy, and a consistent component of the state's 6-year planning estimates. This is reflected in the statewide strategic score.

The department makes good use of its repair and betterment funds within its operating budget to provide for the ongoing maintenance needs of its facilities, as well as CAPRA funds for more urgent needs.

Governor's Recommendation:

The Governor recommends a general obligation bonding of $1.971 million for this project. Also included are budget planning estimates of $2 million in 2002 and 2004.

STATEWIDE STRATEGIC SCORE		
Criteria	**Values**	**Points**
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	120
Safety/Code Concerns	0/35/70/105	35
Customer Service/Statewide Significance	0/35/70/105	70
Agency Priority	0/25/50/75/100	100
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	60
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	50
Total	700 Maximum	435

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2000 STATE APPROPRIATION REQUEST: $3,000

AGENCY PROJECT PRIORITY: 2 of 10

PROJECT LOCATION: System-Wide

PROJECT DESCRIPTION:

This project request involves critical repair, replacement, and renewal needs specific to the operations of the regional treatment centers (RTCs). These needs developed over a long period of time, and represent a system-wide assessment of the following:

- Safety hazards and code compliance issues
- mechanical and structural deficiencies
- major mechanical and electrical utility system repairs
- replacements and improvements
- abatement of hazardous materials (e.g., asbestos containing pipe insulation, floor and ceiling tile, etc.)
- tuck pointing
- and other building envelope work (window replacement) to protect and preserve both interior and exterior building components
- elevator repairs/upgrades; and
- road and parking lot maintenance.

Roof repairs and replacements are not included in this request. System-wide roof repair and replacement needs are outlined in a separate request for the DHS facilities.

Although a majority of these projects are considered nonrecurring in scope, all facility components require scheduled maintenance and repair, and eventually many require replacement. The average life cycle of most projects associated with this request exceed 20 years; however, many have longer life cycles, (i.e. tuckpointing, window replacement), and a few may have shorter life cycles, (i.e. road and parking lot seal coating and overlays, water tower cleaning and painting).

Specific projects associated with this request are generally classified as "asset preservation projects" and are categorized as emergency maintenance, deferred maintenance/renewal, infrastructural repair and replacement, or preventive/predictive maintenance.

These projects are the result of extended use, age of the structure or other related component within the RTC system and the high cost of addressing related problems. These projects involve significant levels of repair and replacement and because of the system-wide magnitude cannot be addressed with the current level of repair and replacement funding.

In recent years asset preservation has become a fundamental component of the capital budget process. The key objective of asset preservation is to help reduce the amount of deferred maintenance and deferred renewal referred to as the "capital iceberg." In 1996 the legislature moved forward with efforts to deal with the state's deferred maintenance/renewal problem.

According to information from the Department of Administration, the capital iceberg for all state owned buildings is estimated at $1.5 billion. To date, the department's facilities have identified deferred maintenance and/or renewal projects with an estimated cost of approximately $19 million before escalation. This number will escalate if funds are not provided to address current deficiencies.

Each of the department's facilities is responsible for maintaining a list of projects required to preserve their fixed assets. These perpetual and ever changing lists are comprised of projects directly related to asset preservation or deferred maintenance and renewal. Projects related to new construction, facility adaptation, or program remodeling are not included on these lists and require separate funding. A list outlining many of the asset preservation projects identified by the RTCs is available upon request.

When new projects are identified facility and agency staff evaluate project type and scope to determine the most appropriate method of project funding. Alternative funding methods include operating budgets (repairs and betterments); CAPRA funds (controlled by the Department of Administration); and capital budget requests (generally appropriated on a 2-year cycle).

The facilities asset preservation plans must support the future need and projected use 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 its life cycle characteristics and program suitability are in balance. In some cases repair and improvement may be a very prudent measure, while in other cases total replacement may be the most viable alternative. However, in light of the department's current excess building capacity, demolition of some buildings may be determined to be the most economical and prudent choice of action. In addition, downsizing of facilities and/or deactivation of individual buildings must also be considered when determining which buildings asset preservation funds should be requested or committed.

Funding of this request will enable the department to address this continuing problem and begin to reduce the level of deferred maintenance at the RTCs. Failure to fund this request will only intensify the problem. Additional deterioration will result and the state's valuable physical plant assets will continue to decline. Future costs may be compounded as complete replacement may become the most cost effective and efficient alternative for addressing related deficiencies.

IMPACT ON AGENCY OPERATING BUDGETS (FACILITIES NOTE):

Lack of funding of this request or limited funding of the statewide CAPRA request, will require the use of a large percentage of limited repair and replacement operating funds to address critical and expensive asset preservation projects. This action would limit the agency's ability to address routine preventative, predictive and corrective facility maintenance would compound the existing deferred maintenance problem.

OTHER CONSIDERATIONS:

The department received a capital appropriation of $1 million for asset preservation in the 1996 bonding bill. In 1998 it received a $1.9 million appropriation for roof repair and replacement and $ 4 million for asset preservation projects. Continued funding at this level for several bienniums will enable the department to make a significant impact on the system's deferred maintenance problem.

PROJECT CONTACT PERSON, TITLE, ADDRESS, PHONE, FAX, AND E-MAIL:

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AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands ($137,500 = $138)

TOTAL PROJECT COSTS All Years and All Funding Sources	Project Costs All Prior Years	Project Costs FY 2000-01	Project Costs FY 2002-03	Project Costs FY 2004-05	Project Costs All Years	Project Start (Month/Year)	Project Finish (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	$0	$0	$0	$0	$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign **SUBTOTAL**	0	0	0	0	0		
3. Design Fees							
Schematic	0	30	60	60	150	07/2000	09/2000
Design Development	0	38	80	80	198	09/2000	11/2000
Contract Documents	0	75	160	160	395	01/2001	08/2001
Construction Administration	0	45	100	100	245	03/2001	09/2001
SUBTOTAL	0	188	400	400	988		
4. Project Management							
State Staff Project Management	0	0	0	0	0		
Construction Management	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
5. Construction Costs						03/2001	09/2001
Site & Building Preparation	0	0	0	0	0		
Demolition/Decommissioning	0	0	0	0	0		
Construction	0	2,445	3,400	3,400	9,245		
Infrastructure/Roads/Utilities	0	0	0	0	0		
Hazardous Material Abatement	0	0	0	0	0		
Construction Contingency	0	119	340	340	799		
SUBTOTAL	0	2,564	3,740	3,740	10,044		
6. Art **SUBTOTAL**	0	0	0	0	0		
7. Occupancy							
Furniture, Fixtures and Equipment	0	0	0	0	0		
Telecommunications (voice & data)	0	0	0	0	0		
Security Equipment	0	0	0	0	0		
Commissioning	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
8. Inflation							
Midpoint of Construction		05/2001	03/2003	03/2005			
Inflation Multiplier		9.00%	18.10%	28.10%			
Inflation Cost **SUBTOTAL**		248	749	1,163	2,160		
9. Other **SUBTOTAL**	0	0	0	0	0		
GRAND TOTAL	$0	$3,000	$4,889	$5,303	$13,192		

Dollars in Thousands ($137,500 = $138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	3,000	4,889	5,303	13,192
State Funds Subtotal	0	3,000	4,889	5,303	13,192
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	**0**	**3,000**	**4,889**	**5,303**	**13,192**

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	0	0	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	0	0	0
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	0	0	0
Change from Current FY 2000-01		0	0	0	0
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	3,000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
No	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
Yes	MS 16B.335 (2): Other Projects (Legislative Notification)
No	MS 16B.335 (3): Predesign Requirement (Administration Dept)
No	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Dollars in Thousands ($137,500 = $138)

Department of Administration Analysis:

12/7/99

NA

Department of Finance Analysis:

Asset preservation is critical to the agency's mission and is a consistent component of the state's 6-year planning estimate. The department-designed ranking for this request reflects its importance in the department's capital strategy for its campuses. This is reflected in the statewide strategic score.

The department makes good use of repair and betterment funds in its operating budget to provide for ongoing maintenance needs of its facilities, as well as CAPRA funds for more urgent needs.

Governor's Recommendation:

The Governor recommends general obligation bonding of $3.0 million for this project. Also included are budget planning estimates of $3 million in 2002 and 2004.

STATEWIDE STRATEGIC SCORE		
Criteria	**Values**	**Points**
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	120
Safety/Code Concerns	0/35/70/105	70
Customer Service/Statewide Significance	0/35/70/105	70
Agency Priority	0/25/50/75/100	100
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	60
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	50
Total	700 Maximum	470

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2000 STATE APPROPRIATION REQUEST: $22,229

AGENCY PROJECT PRIORITY: 3 of 10

PROJECT LOCATION: St. Paul, Capitol Area, or Surrounding Metro

PROJECT DESCRIPTION

The Minnesota Department of Human Services (DHS) requests funding to complete the pre-design, design and land acquisition for a state-owned building to consolidate its 8 separate metro offices. The Department intends to return in two years with a request to construct the recommended consolidated office facility. This request would save taxpayers' money, provide a better value for money spent, address emerging mission critical issues facing the agency, provide expected citizen service, potentially address needs of other state agencies with whom DHS has business relationships, and offer the chance to begin to redefine how public buildings serve people in the 21st century.

History of the request

This request follows directions from the Minnesota Departments of Finance and Administration to explore options other than working with DHS' current landlord to construct a new facility adjacent to the agency's 444 Lafayette site.

Options to be considered

DHS believes that there are three options available for consideration. We have analyzed the cost associated with these options based on the total cost outlay over a 35 year period (30 year occupancy plus 5 year construction period), and the analysis of these options will be available as supplemental material:

- Build to own near the Capitol
- Build to own in a non-Capitol location
- Build with a private developer and lease back the space

Benefits of the proposal

- **The proposal provides good value for the taxpayers' money.** The Governor's principles make it clear that government must not forget that it uses the peoples' money. A state-owned building would save taxpayer money and provide better long-term value. Operating costs over the long-term would be lower in a state-owned building, and the state would have a tangible asset as well.

- **The proposal shows a commitment to citizen services in the state's largest agency**. Making citizens travel to 3 or 4 locations to do business with DHS furthers the belief that government is insensitive. This presents a public image that does not mesh with the department's stated mission – promoting the dignity, safety and rights of the individual, ensuring public accountability and trust through responsible use of available resources.

- **The proposal allows us to do our best job.** DHS has over 130 employees who travel more than three times a week among the buildings to do business; another 900 make trips at least once a week. This is inefficient and makes it harder to share ideas and meet basic work commitments – let alone innovate to meet the future needs of the state most efficiently. Geographic separation provides a tangible barrier to cutting across program "silos" to better meet our customers' needs and manage resources most effectively.

- **The proposal may benefit other agencies.** The department is supportive of a solution that would include addressing other agencies critical needs for space, particularly related state agencies such as the Department of Health. Discussions are underway within the administration to explore the feasibility of co-locating buildings or services among multiple agencies. Additionally, the state's child care and/or elder center could be located in a new DHS building as a service to other agencies' employees as well as our own.

- **The proposal can help the state manage its roles/responsibilities.** The human services delivery system in Minnesota includes DHS and the 87 counties in partnership with many other organizations. Making this system more efficient and effective has been a priority during the past decade. Centralization and its related economies of scale have been utilized when appropriate to save overall taxpayer dollars. For example, child support withholding and welfare benefits flow in and out of one central payment processing facility in St. Paul (instead of from each of the 87 counties). This consolidation has placed more pressure at the state level to provide space and technology for these centralized activities. Consolidated efficient space with additional room to build if necessary provides the state with options if further opportunities for efficiency come to light.

The problem with doing nothing now

- DHS is proposing a new building because the current space strategy is not a good value for taxpayers' money.

- The current leased buildings will not meet needs for increasing reliance upon technology. Mechanical, electrical and network infrastructure will require expensive incremental upgrades. It is not good investment strategy to spend this much money in buildings the state does not own.

- Occupant health and safety issues, real and perceived, are inevitable in the type of buildings we are occupying.

Strategic planning
This request is a component to an overall strategic plan for the agency's needs. DHS Facilities Master Planning work is nearly completed, driven by basic questions such as: How is DHS organized? How do employees work together, communicate with each other and with business contacts? What new technologies or business practices might affect the human services workplace in the future? Planners aim to design the new DHS space from the inside out, coming with a strategy that furthers the DHS mission and builds on organizational strengths.

Project phases
Consolidating the 8 office locations would be accomplished in 2 phases. Phase 1 will focus on pre-design, schematic design, design development, site acquisition, and the completion of working drawings. Funds for Phase 1 are requested for the 2000-01 biennium. Phase II will center on the construction of the new building. Funds for construction will be requested in the 2002-03 biennium.

Building site
Any site choice would be based upon the following principles:

- Adequate space for future flexibility – with the potential for co-location of agencies with programmatic connections and identified space needs
- Adequate infrastructure to support technical communication (voice/video/data) requirements and utility needs
- Cost benefit, including the cost of facility maintenance
- Proximity to public transportation
- Availability of affordable visitor and employee parking
- Availability of child care

Federal funds
While state bonding would finance 100% of the building design and construction, federal financial participation (FFP) would be available to reimburse for a portion of the ongoing expenses including, but not limited to interest on bonds, depreciation, utilities, facilities maintenance and repairs/alterations. DHS assumes a 40% federal match on these costs. As a result, DHS can significantly lower the total cost of this project to the state.

IMPACT ON STATE AGENCY OPERATING BUDGETS (FACILITIES NOTE)
Over 30 years of building occupancy, the costs to DHS would be significantly lower in a state-owned building.

A detailed and rigorous analysis of the options for DHS office space is being prepared and will be available as a supplement to the materials presented in this request.

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Dollars in Thousands ($137,500 = $138)

TOTAL PROJECT COSTS All Years and All Funding Sources		Project Costs All Prior Years	Project Costs FY 2000-01	Project Costs FY 2002-03	Project Costs FY 2004-05	Project Costs All Years	Project Start (Month/Year)	Project Finish (Month/Year)
1. Property Acquisition							07/2000	06/2002
Land, Land and Easements, Options		$0	$12,000	$0	$0	$12,000		
Buildings and Land		0	0	0	0	0		
	SUBTOTAL	0	12,000	0	0	12,000		
2. Predesign	**SUBTOTAL**	0	916	0	0	916	07/2000	10/2000
3. Design Fees								
Schematic		0	1,374	0	0	1,374	10/2000	12/2001
Design Development		0	2,290	0	0	2,290	10/2000	12/2001
Contract Documents		0	3,665	0	0	3,665	10/2000	12/2001
Construction Administration		0	0	1,833	0	1,833	01/2002	03/2004
	SUBTOTAL	0	7,329	1,833	0	9,162		
4. Project Management								
State Staff Project Management		0	0	968	0	968		
Construction Management		0	0	3,359	0	3,359		
Other Costs		0	0	1,274	0	1,274		
	SUBTOTAL	0	0	5,601	0	5,601		
5. Construction Costs							07/2002	03/2004
Site & Building Preparation		0	0	4,979	0	4,979		
Demolition/Decommissioning		0	0	0	0	0		
Construction		0	0	112,488	0	112,488		
Infrastructure/Roads/Utilities		0	0	0	0	0		
Hazardous Material Abatement		0	0	0	0	0		
Construction Contingency		0	0	4,698	0	4,698		
	SUBTOTAL	0	0	122,165	0	122,165		
6. Art	**SUBTOTAL**	0	0	1,222	0	1,222		
7. Occupancy								
Furniture, Fixtures and Equipment		0	0	18,959	0	18,959		
Telecommunications (voice & data)		0	0	0	0	0		
Security Equipment		0	0	0	0	0		
Commissioning		0	0	305	0	305		
	SUBTOTAL	0	0	19,264	0	19,264		
8. Inflation								
Midpoint of Construction			07/2001	10/2003				
Inflation Multiplier			9.80%	21.10%	0.00%			
Inflation Cost	**SUBTOTAL**		1,984	31,668	0	33,652		
9. Other	**SUBTOTAL**	197	0	2,788	0	2,985		
	GRAND TOTAL	$197	$22,229	$184,541	$0	$206,967		

Dollars in Thousands ($137,500 = $138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	22,229	181,753	0	203,982
General	0	0	2,788	0	2,788
State Funds Subtotal	0	22,229	184,541	0	206,770
Agency Operating Budget Funds	197	0	0	0	197
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	**197**	**22,229**	**184,541**	**0**	**206,967**

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation) FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	0	4,059	17,222
State-Owned Lease Expenses	0	1,490	6,348	35,253	28,729
Nonstate-Owned Lease Expenses	18,562	18,562	19,197	17,065	1,179
Other Expenses	0	0	0	0	0
Expenditure Subtotal	18,562	20,052	25,545	56,377	47,130
Revenue Offsets	0	0	0	0	0
TOTAL	18,562	20,052	25,545	56,377	47,130
Change from Current FY 2000-01		1,490	6,983	37,815	28,568
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	22,229	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
No	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
No	MS 16B.335 (2): Other Projects (Legislative Notification)
Yes	MS 16B.335 (3): Predesign Requirement (Administration Dept)
Yes	MS 16B.335 (4): Energy Conservation Requirements (Agency)
Yes	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Dollars in Thousands ($137,500 = $138)

Department of Administration Analysis:

12/7/99

Without the completion of predesign it is difficult to evaluate the request thoroughly.

Department of Finance Analysis:

The current space configuration of DHS is not a cost-effective arrangement. Like other agencies, DHS pays rent for multiple facilities in a very tight and expensive commercial real estate market. The agency has presented a sound proposal to address their space needs, though clearly the sheer size of the Central Office of DHS makes this a very costly request.

The early years of this project would require several years of continued rent payments during the construction phase and transition period. Benefits of such an undertaking do not accrue immediately, and for a project of this scope, would generally not show a tangible benefit until several years out.

Over 30 years of occupancy, however, the operating costs for DHS would be significantly less expensive in a state-owned building than to continue paying rent to private landlords; the state would also own a valuable asset at the end of that time.

Governor's Recommendation:

This project is part of a larger initiative recommended by the Governor to address the critical need for land acquisition, design and development of important state buildings in or near the Capitol complex.

In this initiative, the Governor recommends $100 thousand from the general fund for a new *Strategic Plan for Locating State Agencies,* $2 million in general obligation bonding for design funding for high priority facilities that will be identified through the strategic plan as needing immediate development, and $5.7 million in g.o. bonding for property acquisition for such facilities.

It is anticipated that the *Strategic Plan for Locating State Agencies* will review state agency space needs, guide location issues, and determine the order of priority for development of facilities for the departments of Health, Human Services, Agriculture, and other state agencies.

STATEWIDE STRATEGIC SCORE		
Criteria	**Values**	**Points**
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	80
Safety/Code Concerns	0/35/70/105	35
Customer Service/Statewide Significance	0/35/70/105	35
Agency Priority	0/25/50/75/100	75
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	0
State Operating Savings or Operating Efficiencies	0/20/40/60	20
Contained in State Six-Year Planning Estimates	0/25/50	0
Total	700 Maximum	245

For additional information, please see the project requests and Governor's recommendations as contained in the Department of Administration's request package.

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Dollars in Thousands ($137,500 = $138)

2000 STATE APPROPRIATION REQUEST: $1,500

AGENCY PROJECT PRIORITY: 4 of 10

PROJECT LOCATION: Cambridge Regional Human Services Center (CRHSC)

PROJECT DESCRIPTION:

This project request is for the demolition of the following buildings at the CRHSC Campus.

Building Identification	Year Constructed	Square Footage
Cottage 1	1925	14,114
Cottage 2	1928	14,307
Cottage 3	1930	18,487
Cottage 4	1930	14,487
Cottage 5	1932	18,739
Cottage 6	1932	18,739
Cottage 12	1938	19,528
Cottage 14	1937	28,734
	Total Square Footage	147,135

Funds are requested for professional services, asbestos abatement, demolition and disposal of materials in accordance with local and state regulations. Funds are also requested for site restoration and the capping and sealing of the utility tunnel and building services leading to the basement of these buildings.

This project relates to the department's commitment to consolidate and restructure the state regional treatment center (RTC) system. This proposal will enable the department to work aggressively to convert surplus physical facilities (land and buildings) to other ownership or alternative uses under lease arrangements. It also eliminates unnecessary expenditure of state dollars on non-utilized, nonfunctional buildings by demolishing structures that have been vacant for several years.

The buildings listed above were constructed as residential facilities in the 1920s and 1930s. They have large multi-bed rooms, congregate bathing facilities and limited program or rehabilitative space. They are not equipped with modern heating, ventilating, or air conditioning systems and their basic mechanical infrastructure is heavily worn and in need of extensive renovation or replacement. In addition, these buildings do not meet current building, life safety, or accessibility codes and standards.

A change in use would require a substantial capital investment. All mechanical and electrical systems would have to be replaced or upgraded. Elevators would have to be installed and some form of ramping would be required to make the buildings accessible from the exterior. In addition new restrooms would be required as well as the installation of fire rated doors and frames, sprinkler systems, energy efficient windows, new surface materials for floors, walls and ceilings, etc. Clearly, the interiors of the buildings would have to be completely demolished and rebuilt. The cost of this work would match or exceed the cost to construct new space. Accordingly, these buildings are not functional for the RTC's utilization or desirable for renting for alternative uses. They are surplus to the needs of the facility and state, expensive to maintain, and are considered serious safety hazards.

IMPACT ON STATE AGENCY OPERATING BUDGETS (FACILITIES NOTE):

Preliminary estimates indicate that the facility would save approximately $40 thousand per year in fuel savings. Funds have been expended to heat these buildings during cold weather months. Some repair and replacement funds are expended on routine building maintenance to keep heating systems operational, to maintain safety integrity, and to keep the buildings weather tight to minimize building deterioration. Repair and replacement funds would not be reduced, but redirected to other areas of need in the system.

PROJECT CONTACT PERSON, TITLE, ADDRESS, PHONE, FAX, AND E-MAIL:

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State Operated Services Support Division
Department of Human Services

AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands ($137,500 = $138)

TOTAL PROJECT COSTS All Years and All Funding Sources	**Project Costs** All Prior Years	**Project Costs** FY 2000-01	**Project Costs** FY 2002-03	**Project Costs** FY 2004-05	**Project Costs** All Years	**Project Start** (Month/Year)	**Project Finish** (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	$0	$0	$0	$0	$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign SUBTOTAL	0	0	0	0	0		
3. Design Fees							
Schematic	0	14	0	0	14	09/2000	11/2000
Design Development	0	18	0	0	18	11/2000	02/2001
Contract Documents	0	37	0	0	37	02/2001	06/2001
Construction Administration	0	23	0	0	23	06/2001	03/2002
SUBTOTAL	0	92	0	0	92		
4. Project Management							
State Staff Project Management	0	0	0	0	0		
Construction Management	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
5. Construction Costs						06/2001	03/2002
Site & Building Preparation	0	113	0	0	113		
Demolition/Decommissioning	0	790	0	0	790		
Construction	0	0	0	0	0		
Infrastructure/Roads/Utilities	0	0	0	0	0		
Hazardous Material Abatement	0	280	0	0	280		
Construction Contingency	0	60	0	0	60		
SUBTOTAL	0	1,243	0	0	1,243		
6. Art SUBTOTAL	0	0	0	0	0		
7. Occupancy							
Furniture, Fixtures and Equipment	0	0	0	0	0		
Telecommunications (voice & data)	0	0	0	0	0		
Security Equipment	0	0	0	0	0		
Commissioning	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
8. Inflation							
Midpoint of Construction		12/2000					
Inflation Multiplier		6.90%	0.00%	0.00%			
Inflation Cost **SUBTOTAL**		92	0	0	92		
9. Other SUBTOTAL	0	73	0	0	73	07/2000	12/2001
GRAND TOTAL	$0	$1,500	$0	$0	$1,500		

Dollars in Thousands ($137,500 = $138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	1,500	0	0	1,500
State Funds Subtotal	0	1,500	0	0	1,500
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	**0**	**1,500**	**0**	**0**	**1,500**

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	1,318	1,240	1,240	1,240	1,240
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	1,318	1,240	1,240	1,240	1,240
Revenue Offsets	0	0	0	0	0
TOTAL	1,318	1,240	1,240	1,240	1,240
Change from Current FY 2000-01		<78>	<78>	<78>	<78>
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	**Amount**	**Percent of Total**
General Fund	1,500	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.

No	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
No	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
Yes	MS 16B.335 (2): Other Projects (Legislative Notification)
No	MS 16B.335 (3): Predesign Requirement (Administration Dept)
No	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Dollars in Thousands ($137,500 = $138)

Department of Administration Analysis:

12/7/99

No comment. Predesign not formally required for the demolition of facilities.

Department of Finance Analysis:

Demolition of the buildings identified in this request would enable the remaining services on the Cambridge campus (METO) to operate without excessive overhead costs. These buildings are not suitable for use as residences and would require significant financial investment to meet current building codes if they were used for any other purpose.

The statewide strategic score reflects the importance of this request to the agency's mission and strategic long-range plan for the RTC system.

Governor's Recommendation:

The Governor recommends general obligation bonding of $1.5 million for this project.

STATEWIDE STRATEGIC SCORE		
Criteria	**Values**	**Points**
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	120
Safety/Code Concerns	0/35/70/105	70
Customer Service/Statewide Significance	0/35/70/105	35
Agency Priority	0/25/50/75/100	75
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	60
State Operating Savings or Operating Efficiencies	0/20/40/60	20
Contained in State Six-Year Planning Estimates	0/25/50	25
Total	700 Maximum	405

2000 STATE APPROPRIATION REQUEST: $7,200

AGENCY PROJECT PRIORITY: 5 of 10

PROJECT LOCATION: St. Peter Regional Treatment Center

PROJECT DESCRIPTION:
This request is for funds to remodel the residential and program areas in Building #1 (Shantz Hall) and Building #2 (Pexton Hall) at the St. Peter Regional Treatment Center. It will also involve the construction of an addition to connect the two buildings and to provide space for program functions which are more appropriately located in areas common to the residential treatment units (i.e., control center, visitation, administration, patient intake, vending, multi-purpose/recreation spaces, etc.).

The Department of Human Services is planning to phase this project over the 2000/2001 and 2002/2003 biennia. The completed complex will be utilized to provide additional secure bed capacity required too accommodate projected referrals of individuals committed as sexual psychopathic personalities (SPP) and/or sexually dangerous persons (SDP).

PHASE ONE
The first phase of this project will focus on the remodeling of Pexton Hall and the connecting addition. This includes constructing the space for the control center, visitation, administration, and patient intake; and exterior security for Pexton Hall and the new addition. Funds for design, construction, remodeling, furnishings and equipment for Phase One are being requested during the 2000 Legislative Session.

PHASE TWO
The second phase of this project will focus on remodeling Shantz Hall, completing the connecting link between the buildings and constructing a multi-purpose building for programming and recreation. In addition, Phase Two will address the need for exterior security for Shantz Hall, the new addition, and for tying the separate units into a single security complex. Funds for design, construction, remodeling, furnishings and equipment for Phase Two will be requested during the 2002 Legislative Session.

The scope of work, space program, and cost estimate for this project was developed during a predesign study completed by Korsunsky, Krank and Erickson Architects completed in November 1999.

BACKGROUND:
In the early 1990s the state experienced a significant growth in the number of individuals committed as sexual psychopathic personalities/sexually dangerous persons (SPP/SDP). Based on projected referrals to the program, the 1993 Legislature authorized the construction of a 100-bed secure facility in Moose Lake and a 50-bed expansion of the Minnesota Security Hospital in St. Peter.

In May 1995 there were 76 persons under SPP/SDP commitment, with referrals to the program occurring at approximately one per month. In 1997 there were 121 individuals at both the Moose Lake and St. Peter facilities, and referrals to the program had increased to nearly two a month. Some factors contributing to this increase include: the U.S. Supreme Court ruling that civil commitment for treatment following completion of a prison sentence is legal, increased community visibility and reaction to sex offenders due to the community notification legislation; and concern among county MI case managers that they are not trained for the special interventions that may be needed to manage this population in the community.

The Legislature appropriated funds to construct two additional 25-bed units at the Moose Lake facility in 1998. These 50 beds are scheduled for occupancy in July 2000.

The combined population of the SPP/SDP program at Moose Lake and St. Peter was 153 in September 1999. The level of referrals continues at approximately 2 per month, or nearly 25 per year, resulting in an average net growth of approximately 19 per year. As a result, there is a need to continue the planning and development of additional secure capacity for the SPP/SDP program for both the short and long term.

EXISTING FACILITIES (Pexton Hall & Shantz Hall)
Pexton and Shantz Halls were constructed in the 1960s as residential treatment buildings for St. Peter RTC's psychiatric program. Both facilities are two-story buildings with large open basements, and are structurally sound. Shantz Hall's roof is scheduled for replacement in 2001, and Pexton Hall's roof was replaced in the fall of 1999. Mechanical and electrical distribution systems supplying these buildings are rated good, and can accommodate the remodeling and construction proposed in this request.

Pexton Hall is currently being used as a residential program building for St. Peter's psychiatric program. The facility plans to relocate this program to Bartlett Hall in the near future. Pexton Hall will then be available for renovation.

Shantz Hall has been used for many different psychiatric programs since it was constructed. In 1993/94 St. Peter RTC physical plant staff implemented some basic security improvements in Shantz Hall. Shantz was then utilized to temporarily house SPP/SDP clients while the new Moose Lake facility and the 50-bed addition to the Minnesota Security Hospital (MSH) were being constructed. This past summer the facility moved two MSH units to Shantz Hall. These units will be moved back to MSH upon completion of Phase One of this project.

The temporary security improvements for Shantz Hall included the installation of a improvements to exterior doors and windows. It also included the development of a fenced recreational yard that runs adjacent to the service road east of Pexton Hall. These improvements were implemented for the short term and are not considered adequate to provide the level of security required for a long-term, secure residential/treatment program in this building. Future use of Pexton and Shantz Halls for secure programs will require the modifications outlined above. A majority of the existing equipment (fencing, computer controls, cameras, etc.) will be reused during the development of the new security complex proposed in this request.

Funding of this project will enable the department to reuse existing available space for the additional secure bed capacity that will be needed to accommodate the increasing SPP/SDP populations. Upon completion of both phases of this request, the new building complex will provide residential and program space for approximately 200 additional secure beds for the Minnesota Sexual Psychopathic Personality Treatment Center (MSPPTC) program. The cost to construct new secure residential and program facilities with a 200-bed capacity would be more than twice the cost of this project.

IMPACT ON STATE AGENCY OPERATING BUDGETS (FACILITIES NOTE):

The increasing PP population will impact the agency's operating budget. Program costs will go up as the population increases.

OTHER CONSIDERATIONS:

New facilities could be constructed to accommodate the projected referrals of SPP/SDP patients. The project currently being constructed at Moose Lake is adding 50 secure beds, a small protective isolation unit and a connecting link with some programming space, at a cost of approximately $9 million.

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Human Services, Department of
SPRTC - Upgrade Shantz & Pextons Bldgs.

AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands ($137,500 = $138)

Project Cost

TOTAL PROJECT COSTS All Years and All Funding Sources		**Project Costs** All Prior Years	**Project Costs** FY 2000-01	**Project Costs** FY 2002-03	**Project Costs** FY 2004-05	**Project Costs** All Years	**Project Start** (Month/Year)	**Project Finish** (Month/Year)
1. Property Acquisition								
Land, Land and Easements, Options		$0	$0	$0	$0	$0		
Buildings and Land		0	0	0	0	0		
	SUBTOTAL	0	0	0	0	0		
2. Predesign	**SUBTOTAL**	25	0	0	0	25		
3. Design Fees								
Schematic		0	46	53	0	99	08/2000	10/2000
Design Development		0	116	133	0	249	10/2000	12/2000
Contract Documents		0	186	214	0	400	12/2000	02/2001
Construction Administration		0	116	135	0	251	03/2001	03/2002
	SUBTOTAL	0	464	535	0	999		
4. Project Management								
State Staff Project Management		0	0	0	0	0		
Construction Management		0	0	0	0	0		
	SUBTOTAL	0	0	0	0	0		
5. Construction Costs							03/2001	03/2002
Site & Building Preparation		0	0	0	0	0		
Demolition/Decommissioning		0	25	25	0	50		
Construction		0	4,510	5,161	0	9,671		
Infrastructure/Roads/Utilities		0	338	481	0	819		
Hazardous Material Abatement		0	0	0	0	0		
Construction Contingency		0	364	424	0	788		
	SUBTOTAL	0	5,237	6,091	0	11,328		
6. Art	**SUBTOTAL**	0	45	51	0	96	09/2001	03/2002
7. Occupancy								
Furniture, Fixtures and Equipment		0	146	169	0	315	08/2001	03/2002
Telecommunications (voice & data)		0	22	20	0	42	10/2001	03/2002
Security Equipment		0	577	617	0	1,194	03/2001	03/2002
Commissioning		0	19	21	0	40	01/2002	03/2002
	SUBTOTAL	0	764	827	0	1,591		
8. Inflation								
Midpoint of Construction			09/2001	04/2003				
Inflation Multiplier			10.60%	18.60%	0.00%			
Inflation Cost	**SUBTOTAL**		690	1,396	0	2,086		
9. Other	**SUBTOTAL**	0	0	0	0	0		
	GRAND TOTAL	$25	$7,200	$8,900	$0	$16,125		

Dollars in Thousands ($137,500 = $138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	7,200	8,900	0	16,100
State Funds Subtotal	0	7,200	8,900	0	16,100
Agency Operating Budget Funds	25	0	0	0	25
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	**25**	**7,200**	**8,900**	**0**	**16,125**

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	0	0	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	0	0	0
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	0	0	0
Change from Current FY 2000-01		0	0	0	0
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	7,200	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS

Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.

Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
No	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
No	MS 16B.335 (2): Other Projects (Legislative Notification)
Yes	MS 16B.335 (3): Predesign Requirement (Administration Dept)
Yes	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Dollars in Thousands ($137,500 = $138)

Department of Administration Analysis:

12/7/99

Predesign is currently be completed but has not received a recommendation.

Department of Finance Analysis:

This request provides a low-cost solution to the continued growth in referrals to the Minnesota Sexual Psychopathic Personality Treatment (MSPPT) program. In previous years the state has built new bed capacity at the Moose Lake and St. Peter RTC's. Modifying existing space at the St. Peter campus will provide both capacity and flexibility, in the event that referral trends change.

The statewide strategic score reflects the statewide significance of this project (it is the sole provider of services for all 87 counties) and the potential liability of not having sufficient capacity in our system for MSPPT or MI&D referrals.

Governor's Recommendation:

The Governor recommends general obligation bonding of $7.2 million for Phase 1 (Pexton Hall). Also included is a budget planning estimate of $8.9 million for Phase 2 (Shantz Hall).

STATEWIDE STRATEGIC SCORE		
Criteria	**Values**	**Points**
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	120
Safety/Code Concerns	0/35/70/105	105
Customer Service/Statewide Significance	0/35/70/105	70
Agency Priority	0/25/50/75/100	75
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	40
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	25
Total	700 Maximum	435

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2000 STATE APPROPRIATION REQUEST: $500

AGENCY PROJECT PRIORITY: 6 of 10

PROJECT LOCATION: Fergus Falls Regional Treatment Center

PROJECT DESCRIPTION:

The 2000 request for Fergus Falls Regional Treatment Center (FFRTC) is the first phase of a proposed multi-phased project focused on developing upgraded and/or new facilities designed, sized, and located, to appropriately support programs FFRTC will provide for its catchment area in the future.

PROJECT SCOPE

In phase 1 the department will conduct a predesign study to determine the most viable, cost efficient and effective means for providing physical facilities for the projected long-term state-operated mental health program needs of the FFRTC catchment area. The proposed predesign will study the following alternatives and issues associated with developing appropriate physical facilities for FFRTC's future operations:

- use of existing RTC space (non-Kirkbride);
- construction of new space;
- the adaptation or upgrading of existing, available, and appropriate space in the community through purchase or lease options (and the benefits of leasing versus buying/building);
- multiple sites and/or satellite facilities within the catchment area to facilitate client access;
- partnerships with existing community service providers or facilities; and
- the potential of combining any, or all, of the above options.

Funding for phase 1 is being requested in the Department of Human Services (DHS) 2000/2001 capital budget request developed for the 2000 legislative session.

Phase 2 will center on the development of working drawings required to develop the improved or new space for FFRTC. DHS currently plans to request funds for Phase Two during the 2002 legislative session.

Phase 3 will be directed at the actual renovation/construction stage for FFRTC's future facilities. DHS currently plans to request funds for phase 3 during the 2004 legislative session.

PRELIMINARY PROJECT COSTS (Place Holders)

The budget figures outlined for this project in 2002/03 and 2004/05 represent the estimated cost to construct new, free standing, residential, program, and ancillary facilities for a 100-bed facility (usually the most expensive option for providing upgraded facilities). These figures are "place holders" developed for the purpose of establishing preliminary project costs. The preliminary construction costs, outlined in the Project Cost Sheet of this request, were developed by using the actual square foot costs for constructing the new facilities on the Anoka Metro RTC campus, adjusted for inflation.

PHASE 1 BUDGET

DHS believes the predesign work required to define the scope, costs, schedules, and options associated with this project is far more complex than the typical predesign project. Accordingly, the DHS is requesting more than the basic ¼% to 1% for this comprehensive predesign project. The funding requested for Phase One is approximately 2% of the current value of the total project cost outlined above.

OBJECTIVE

This proposal will enable the DHS to develop modern facilities in the northwest region of the state, which are appropriately located and sized (bed capacity) for inpatient services for persons with serious and persistent mental illness, and persons requiring inpatient chemical dependency treatment.

This project is consistent with the department's strategic goals and objectives to:

- enhance a community based service network to meet the needs of patients with serious and persistent mental illness (SPMI) so that the need for long term inpatient hospital beds is minimized,
- replace and/or upgrade aging and inadequate facilities within the context of encouraging community services developed through the Adult Mental Health Initiative authorized by the 1995 legislature;
- sizing of future facility space requirements will be based on minimum essential "safety net" services,
- assure more equitable access to treatment opportunities for rural residents by repositioning some RTC psychiatric capacity to alternative community sites through state operated community services and creative partnerships with community vendors.

FERGUS FALLS EXISTING PHYSICAL FACILITIES

The Fergus Falls campus currently consists of 195.8 acres and 46 buildings totaling 863,871 square feet. The main building complex on the campus is referred to as the Kirkbride complex. The 6 residential buildings and 1 administrative building that make up the Kirkbride complex were all built over 100 years ago.

Many other campus buildings were constructed in the early 1900s. Additional support buildings were constructed in the 1920s and 30s, and 2 new residential buildings were constructed in the late 1940s. The newest structure, the Auditorium Building, was completed in 1962.

The old Kirkbride buildings have numerous deficiencies, some very obvious, others obvious only to a trained eye. A preliminary review of the basic deficiencies and related costs for their correction outline the magnitude of future expenditures necessary if these buildings are to be of continued to be used for FFRTC's programs.

With the exception of several small areas throughout the complex, only 2 floors in one of the 6 Kirkbride residential buildings has a central air conditioning system. All other residential spaces are cooled with window air conditioning units. This is highly inefficient. The cost to install modern HVAC equipment would likely exceed $2 million per building at today's costs.

Problems associated with lack of modern climate control systems were compounded in the 1960s when the building's operable windows were removed and glass block installed. This not only eliminated any potential for cross ventilation, it severely limited and distorted the patients' view of the outdoors. Preliminary estimates indicate that the cost to install new windows would be $1.2 million.

The Kirkbride Buildings also have significant building envelope problems. The exterior brick façade on all of the Kirkbride Buildings, except the Administration Building, was painted in the 1950s. Since that time, many coats of paint have had to be applied to the building surface. This paint build-up appears to have reached a point where it acts as a moisture barrier, trapping moisture that freezes and causes the brick faces to spall. The amount of spalling continues to escalate each year. To remedy this situation the paint should be removed, surfaces tuckpointed, and damaged bricks replaced. Preliminary estimates indicate that the cost of this work would exceed $2.5 million.

In addition, a majority of the main plumbing and heating piping is old, corroded, and problematic and electrical systems are in need of replacement (consultants estimated $1.3 million required to update primary electrical distribution system). The fire detection and alarm systems are currently being replaced on a building by building basis to meet minimal life safety codes. In addition, much of the door hardware will require replacement in the near future, building foundations need to be addressed and the residential areas do not have fire sprinklers.

The Kirkbride complex better serves congregate care rather than active individualized psychiatric treatment. Lighting levels are poor, surface materials of floors, walls, and ceilings are worn and matching repair materials are often not available. Patient's rooms were designed to accommodate as many as 4 individuals and offer little or no privacy, as do congregate bathing and toilet areas. Basic layouts of the individual units offer minimal patient supervision, are not conducive to patient or staff safety, and most of the complex does not meet ADA accessibility requirements.

PROGRAM INFORMATION/ISSUES

Fergus Falls' campus currently serves 17 counties in the northwest region of the state. In the early 1960s the campus was serving an average daily population (ADP) of nearly 2,500. In September 1999 the facility's ADP totaled 155: 74 mentally ill (MI); 54 chemically dependent (CD); 4 detox; and, 23 developmentally disabled (DD). The facility's DD program will complete its transition to the community by 6-30-2000.

Although FFRTC's CD population has remained very stable over the last 10 years, the population of the facility's MI program has continued to decline. This decline can be attributed to the development of new psychotropic medications, and the establishment of creative partnerships between RTCs and local mental health services under the Adult Mental Health Initiative. Implementation of these efforts continues and will result in even further reductions in campus based psychiatric beds and increased community services.

Because of the cyclical nature of mental illness there will continue to be a need for some long-term psychiatric beds for northwest Minnesota. The planning associated with phase 1 of this request will seek to integrate existing and proposed new services and facilities in a community based system.

SUMMARY

The Kirkbride Buildings have served the citizens of Minnesota for over 100 years. However, these buildings were designed to accommodate a vastly different program than is required to meet today's needs. In the future, tremendous levels of funding will be required for basic infrastructural maintenance. If the Kirkbride Buildings are renovated for health care, the cost would likely approach or exceed the cost of new construction. The configuration of the building complex and the basic footprint of individual buildings are not conducive to modern treatment programs. Accordingly, reuse of the Kirkbride buildings is not being considered by DHS as a viable option for providing the physical facilities for FFRTC's future operations.

If viable alternative reuses are not identified, it may be determined that the Kirkbride buildings may have served their useful life and demolition of some, or all, of these buildings may have to be considered. Although DHS would be pleased to assist with efforts to identify options for the reuse of the Kirkbride complex, it does not have expertise in this area, and recommends that it may be more appropriate for the Department of Administration to take the lead on a project of this nature.

Funding of Phase 1 will enable the department to conduct the predesign required to: outline space requirements, basic configuration, and potential costs for remodeling and upgrading the infrastructure of FFRTC's non-Kirkbride buildings. Also, identify the scope of work and costs associated with improving other facilities in the region and establish the cost to construct new facilities. This predesign work will also provide information required to determine if FFRTC's buildings or other existing facilities in the region would be programmatically effective and cost efficient for refurbishing or developing future state-operated residential and support service facilities. The predesign study will provide the information needed to determine which of the options best serves the citizens of northwest Minnesota.

IMPACT ON STATE AGENCY OPERATING BUDGETS (FACILITIES NOTE):

The impact on the agency operating budget will be contingent on the level (bed capacity) of services provided in the future, location, and type of facilities developed to provide these services. These costs cannot be projected until the department has completed its predesign studies and the scope of future services and related facility needs are defined.

OTHER CONSIDERATIONS:

As the restructuring of RTC services continues, and as the "safety net" is redefined to include more community outreach and other wrap around services, space requirements at each of the RTCs will continue to decrease. As the residential tenant of state property, the responsibility to maintain the increasing amount of vacant and unused building space falls to the RTC system. The cost of this maintenance effort is consuming a greater proportion of the funding allocated to the state operated system. This trend will continue to grow unless steps are taken to sell surplus property or to demolish surplus buildings. This trend is further complicated by the fact that all of the state operated CD programs and nearly all of the state's services for developmental disabilities are revenue-based programs. Reimbursement levels under Medical Assistance and other third party sources are unable to bear the costs of overhead. This situation will seriously effect the ability of these revenue-based programs to be competitive in the health care marketplace.

PROJECT CONTACT PERSON, TITLE, ADDRESS, PHONE, FAX, AND E-MAIL:

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AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands ($137,500 = $138)

TOTAL PROJECT COSTS All Years and All Funding Sources	**Project Costs** All Prior Years	**Project Costs** FY 2000-01	**Project Costs** FY 2002-03	**Project Costs** FY 2004-05	**Project Costs** All Years	**Project Start** (Month/Year)	**Project Finish** (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	$0	$0	$0	$0	$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign **SUBTOTAL**	0	460	0	0	460	09/2000	09/2001
3. Design Fees							
Schematic	0	0	252	0	252	08/2002	12/2002
Design Development	0	0	336	0	336	01/2003	05/2003
Contract Documents	0	0	672	0	672	05/2003	10/2003
Construction Administration	0	0	420	0	420	07/2004	06/2006
SUBTOTAL	0	0	1,680	0	1,680		
4. Project Management							
State Staff Project Management	0	0	0	0	0		
Construction Management	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
5. Construction Costs							
Site & Building Preparation	0	0	0	0	0		
Demolition/Decommissioning	0	0	0	0	0		
Construction	0	0	0	20,000	20,000		
Infrastructure/Roads/Utilities	0	0	0	0	0		
Hazardous Material Abatement	0	0	0	0	0		
Construction Contingency	0	0	0	1,000	1,000		
SUBTOTAL	0	0	0	21,000	21,000		
6. Art **SUBTOTAL**	0	0	0	200	200		
7. Occupancy							
Furniture, Fixtures and Equipment	0	0	0	750	750		
Telecommunications (voice & data)	0	0	0	170	170		
Security Equipment	0	0	0	300	300		
Commissioning	0	0	0	100	100		
SUBTOTAL	0	0	0	1,320	1,320		
8. Inflation							
Midpoint of Construction		04/2001	06/2003	06/2005			
Inflation Multiplier		8.60%	19.40%	29.40%			
Inflation Cost **SUBTOTAL**		40	326	6,621	6,987		
9. Other **SUBTOTAL**	0	0	0	0	0		
GRAND TOTAL	$0	$500	$2,006	$29,141	$31,647		

Dollars in Thousands ($137,500 = $138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	0	2,006	29,141	31,147
General Fund Projects	0	500	0	0	500
State Funds Subtotal	0	500	2,006	29,141	31,647
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	**0**	**500**	**2,006**	**29,141**	**31,647**

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	0	0	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	0	0	0
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	0	0	0
Change from Current FY 2000-01		0	0	0	0
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	0	0%
User Financing	0	0%

STATUTORY AND OTHER REQUIREMENTS Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
No	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
No	MS 16B.335 (2): Other Projects (Legislative Notification)
Yes	MS 16B.335 (3): Predesign Requirement (Administration Dept)
No	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Dollars in Thousands ($137,500 = $138)

Department of Administration Analysis:

12/7/99

The term "predesign" is to be applied to activities intended to establish a scope, cost, schedule, and program for a specific building project and not for feasibility, planning, or marketing analysis of a general nature.

Department of Finance Analysis:

This request is a consistent link with the agency's 6-year plan, and is reflected in the statewide strategic score.

The current facility at the Fergus Falls RTC severely limits the department's ability to 'right size' the campus' physical plant needs with the future program needs.

Governor's Recommendation:

The Governor recommends a general fund appropriation of $250 thousand for this study. The agency is asked to look for opportunities to conduct this study at this reduced funding level.

STATEWIDE STRATEGIC SCORE		
Criteria	**Values**	**Points**
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	120
Safety/Code Concerns	0/35/70/105	35
Customer Service/Statewide Significance	0/35/70/105	35
Agency Priority	0/25/50/75/100	50
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	40
State Operating Savings or Operating Efficiencies	0/20/40/60	20
Contained in State Six-Year Planning Estimates	0/25/50	25
Total	700 Maximum	325

2000 STATE APPROPRIATION REQUEST: $1,200

AGENCY PROJECT PRIORITY: 7 of 10

PROJECT LOCATION: METO Campus - Cambridge

PROJECT DESCRIPTION:

This request is for funds to design and install new utility equipment on the CRHSC/METO campus. The main focus of this project is to provide new heating equipment for buildings that will remain in state control. This project will also upgrade existing hot water, electrical, and emergency power distribution systems for some buildings on the Cambridge Regional Human Services Center (CRHSC) campus.

There are currently 8 buildings on the CRHSC campus the department considers non-functional. These buildings are identified in DHS's capital request for demolition funds for the CRHSC campus. Cottage 9 was demolished last winter. In the future, there may be a few more buildings on the campus that may become non-utilized and considered non-functional. These surplus buildings are the result of the closure of the CRHSC, and the startup of the METO program in new smaller (6 bed) residential units.

In addition, legislation was passed which authorizes the transfer of Buildings #25 and #26, and land around these structures, from CRHSC to the County of Isanti. The county will use space in one building for a county operated work release correctional program. They plan to lease space in the other buildings to the Army National Guard.

These 2 buildings have a total of 176,000 square feet, or approximately 25% of the facility's current square footage. These buildings will also be removed from the CRHSC's heating system in the future. This will further compound the inefficiency of operating the high-pressure boilers in the existing power plant.

The existing power plant is greatly oversized, expensive to operate, and most equipment is nearing its designed useful life. This project will replace the power plant with new boilers and hot water heating equipment. It will also upgrade electrical systems in buildings that require related improvements and address the reconfiguration of the emergency power distribution systems for the downsized Cambridge campus.

This project relates to the department's commitment to work aggressively to convert functional surplus physical facilities to other ownership or alternative uses under lease arrangements. It also relates to the department's goal to eliminate unnecessary expenditure of state dollars on non-utilized, nonfunctional buildings.

IMPACT ON STATE AGENCY OPERATING BUDGETS (FACILITIES NOTE):

The installation of a reduced capacity heating system will result in some reduction to future fuel and utility costs. However, the main cost savings will be realized in staffing cost savings realized by changing from a high pressure power plant which requires 24 hour, 7 day per week supervision (6 FTE's), to a heating system that may be able to be operated by 1 FTE.

PROJECT CONTACT PERSON, TITLE, ADDRESS, PHONE, FAX, AND E-MAIL:

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Alan Van Buskirk, Physical Plant Operations Manager
Department of Human Services
State Operated Services Support Division
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Dollars in Thousands ($137,500 = $138)

TOTAL PROJECT COSTS All Years and All Funding Sources	Project Costs All Prior Years	Project Costs FY 2000-01	Project Costs FY 2002-03	Project Costs FY 2004-05	Project Costs All Years	Project Start (Month/Year)	Project Finish (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	$0	$0	$0	$0	$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign SUBTOTAL	0	0	0	0	0		
3. Design Fees							
Schematic	0	18	0	0	18	07/2000	08/2000
Design Development	0	24	0	0	24	09/2000	10/2000
Contract Documents	0	48	0	0	48	10/2000	12/2000
Construction Administration	0	30	0	0	30	01/2001	07/2001
SUBTOTAL	0	120	0	0	120		
4. Project Management							
State Staff Project Management	0	0	0	0	0		
Construction Management	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
5. Construction Costs						01/2001	08/2001
Site & Building Preparation	0	0	0	0	0		
Demolition/Decommissioning	0	0	0	0	0		
Construction	0	700	0	0	700		
Infrastructure/Roads/Utilities	0	0	0	0	0		
Hazardous Material Abatement	0	183	0	0	183		
Construction Contingency	0	120	0	0	120		
SUBTOTAL	0	1,003	0	0	1,003		
6. Art SUBTOTAL	0	0	0	0	0		
7. Occupancy							
Furniture, Fixtures and Equipment	0	0	0	0	0		
Telecommunications (voice & data)	0	0	0	0	0		
Security Equipment	0	0	0	0	0		
Commissioning	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
8. Inflation							
Midpoint of Construction		12/2000					
Inflation Multiplier		6.90%	0.00%	0.00%			
Inflation Cost **SUBTOTAL**		77	0	0	77		
9. Other SUBTOTAL	0	0	0	0	0		
GRAND TOTAL	$0	$1,200	$0	$0	$1,200		

Dollars in Thousands ($137,500 = $138)

Department of Administration Analysis:

12/7/99

Infrastructure projects do not require a formal predesign.

Department of Finance Analysis:

This request plays a role in the department's strategic long-range plan for the RTC campuses. This request, in combination with priority #4 and #10 would match the campuses facility needs with its program needs. Cambridge has completed the downsizing of its Developmental Disability program services and all that remains on the campus is the METO program.

Governor's Recommendation:

The Governor does not recommend capital funds for this project.

STATEWIDE STRATEGIC SCORE		
Criteria	Values	Points
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	80
Safety/Code Concerns	0/35/70/105	0
Customer Service/Statewide Significance	0/35/70/105	35
Agency Priority	0/25/50/75/100	50
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	0
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	25
Total	700 Maximum	190

Dollars in Thousands ($137,500 = $138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	1,200	0	0	1,200
State Funds Subtotal	0	1,200	0	0	1,200
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	**0**	**1,200**	**0**	**0**	**1,200**

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	0	0	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	0	0	0
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	0	0	0
Change from Current FY 2000-01		0	0	0	0
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	1,200	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
Yes	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
No	MS 16B.335 (2): Other Projects (Legislative Notification)
No	MS 16B.335 (3): Predesign Requirement (Administration Dept)
No	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

2000 STATE APPROPRIATION REQUEST: $5,074

AGENCY PROJECT PRIORITY: 8 of 10

PROJECT LOCATION: Anoka-Metro Regional Treatment Center

PROJECT DESCRIPTION:

This project will focus on the renovation and improvement of the Miller Building on the Anoka-Metro Regional Treatment Center campus, including the construction of a small addition adjacent to the existing North residential wing. The renovated and constructed space will be used to provide residential, program and administrative space for two 25-bed psychiatric treatment units for persons with serious and persistent mental illness (SPMI).

Design, from predesign through working drawings, was funded by the 1996 legislature. Working drawings for this project are scheduled for completion in January 2000. Completion of this project will enable the facility to transition the psychiatric treatment program from the old AMRTC campus to the new inter-connected building complex referred to as the new AMRTC campus.

Renovation will focus on upgrading basic building mechanical and utility systems (i.e., heating, ventilating, and air conditioning equipment, plumbing and electrical systems; fire detection and alarm systems); modernizing and improving bath and toilet areas; reconfiguring basic room layouts; repair or replacing surface components (walls, ceilings, and floors); upgrading lighting; improving acoustics; repairing or replacing basic building components such as windows, doors, locks, etc., and installing a complete fire protection sprinkler system.

The Miller building was constructed in 1951 at a time when psychiatric facility design concentrated on congregate care rather than active psychiatric treatment. The building's design and layout reflects this institutional motif. Lighting levels are poor, surface materials of floors, walls and ceilings are worn and deteriorated, and matching repair materials are no longer available. Both staff and resident areas are located off long central corridors. Patient's rooms were designed to accommodate as many as four individuals and offered little or no privacy, as do congregate bathing and toilet areas. In addition, the Miller Building design/unit layout offers minimal patient supervision and is not conducive to patient or staff safety. In service for nearly 48 years with little improvement other than routine building maintenance, the basic mechanical/electrical systems have served beyond their designed useful life and are in need of major repair or replacement.

It is recognized that psychiatric facilities must present warm, functional, pleasant environments, along with unit designs, which facilitate group living and staff interaction for treatment purposes. Aesthetically pleasing environments with good acoustics and adequate levels of privacy are much more conducive to effective and efficient treatment. Patients adjust to new surroundings, learn to cope with problems, and respond to treatment programs much faster in surroundings that are comfortable, visually pleasing and afford some privacy.

The department's 1994 Capital Budget proposal to consolidate and restructure the AMRTC campus indicated that construction of the new 150-bed complex, and the development of two 16 bed state operated community based units would still require the facility to continue to operate approximately 50 beds in existing space on the Anoka campus. This project will upgrade existing space for these 50 beds.

Funding of this proposal will enable the department to address the need to maintain current utilized beds levels on the AMRTC campus and link existing capacity to the new ancillary and program support facilities. This will augment the programmatic efficiencies of the new facilities while enhancing the quality of services provided in the long-term use of existing space for active treatment on the Anoka campus.

IMPACT ON STATE AGENCY OPERATING BUDGETS (FACILITIES NOTE):

The request will not impact the facilities operating budget.

OTHER CONSIDERATIONS:

Possible construction of additional new 50-bed residential unit(s) to the new 150-bed facility. Costs to develop all new space would exceed per-bed cost associated with this project.

PROJECT CONTACT PERSON, TITLE, ADDRESS, PHONE, FAX, AND E-MAIL:

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Physical Plant Operations Manager
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AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands ($137,500 = $138)

TOTAL PROJECT COSTS All Years and All Funding Sources	**Project Costs** All Prior Years	**Project Costs** FY 2000-01	**Project Costs** FY 2002-03	**Project Costs** FY 2004-05	**Project Costs** All Years	**Project Start** (Month/Year)	**Project Finish** (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	$0	$0	$0	$0	$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign SUBTOTAL	10	0	0	0	10		
3. Design Fees							
Schematic	60	0	0	0	60	07/1999	08/1999
Design Development	80	0	0	0	80	09/1999	11/1999
Contract Documents	172	0	0	0	172	12/1999	03/2000
Construction Administration	0	122	0	0	122	08/2000	08/2001
SUBTOTAL	312	122	0	0	434		
4. Project Management						08/2000	08/2001
State Staff Project Management	0	0	0	0	0		
Construction Management	0	50	0	0	50		
SUBTOTAL	0	50	0	0	50		
5. Construction Costs						07/2000	08/2001
Site & Building Preparation	0	80	0	0	80		
Demolition/Decommissioning	0	180	0	0	180		
Construction	0	3,520	0	0	3,520		
Infrastructure/Roads/Utilities	0	30	0	0	30		
Hazardous Material Abatement	0	100	0	0	100		
Construction Contingency	0	352	0	0	352		
SUBTOTAL	0	4,262	0	0	4,262		
6. Art SUBTOTAL	0	35	0	0	35	10/2000	07/2001
7. Occupancy							
Furniture, Fixtures and Equipment	0	150	0	0	150	05/2001	07/2001
Telecommunications (voice & data)	0	25	0	0	25	04/2001	07/2001
Security Equipment	0	20	0	0	20	04/2001	07/2001
Commissioning	0	30	0	0	30	07/2001	08/2001
SUBTOTAL	0	225	0	0	225		
8. Inflation							
Midpoint of Construction		03/2001					
Inflation Multiplier		8.10%	0.00%	0.00%			
Inflation Cost **SUBTOTAL**		380	0	0	380		
9. Other SUBTOTAL	0	0	0	0	0		
GRAND TOTAL	$322	$5,074	$0	$0	$5,396		

AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands ($137,500 = $138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	322	5,074	0	0	5,396
State Funds Subtotal	322	5,074	0	0	5,396
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	**322**	**5,074**	**0**	**0**	**5,396**

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	0	0	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	0	0	0
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	0	0	0
Change from Current FY 2000-01		0	0	0	0
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

PREVIOUS STATE CAPITAL APPROPRIATIONS FOR THIS PROJECT (Legal Citations) Laws of Minnesota (year), Chapter, Section, Subdivision	**Amount**
1996 Chapter 463, Section 17	322

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	**Amount**	**Percent of Total**
General Fund	5,074	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
No	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
No	MS 16B.335 (2): Other Projects (Legislative Notification)
Yes	MS 16B.335 (3): Predesign Requirement (Administration Dept)
Yes	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Dollars in Thousands ($137,500 = $138)

Department of Administration Analysis:

12/7/99

Our records do not indicate the final predesign has been received for this request. There is no indication of a predesign cost on the cost plan.

Department of Finance Analysis:

This request reflects the department's plan to ensure sufficient capacity in the RTC system for future programmatic needs. While services for the developmentally disabled population have been moved off campus, there will remain a need statewide for psychiatric beds.

This request to remodel existing space would be less expensive than constructing new space.

Governor's Recommendation:

The Governor does not recommend capital funds for this project.

STATEWIDE STRATEGIC SCORE		
Criteria	**Values**	**Points**
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	40
Safety/Code Concerns	0/35/70/105	0
Customer Service/Statewide Significance	0/35/70/105	70
Agency Priority	0/25/50/75/100	25
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	40
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	25
Total	700 Maximum	200

2000 STATE APPROPRIATION REQUEST: $5,765

AGENCY PROJECT PRIORITY: 9 of 10

PROJECT LOCATION: Brainerd Regional Human Services Center

PROJECT DESCRIPTION:
This request is for upgrading the residential and program areas in Building #20 at Brainerd Regional Human Services Center (BRHSC). Upon completion of this project, Building #20 will be used by BRHSC's adult mental health treatment program referred to as the Timberland Mental health Program.

This project will focus on reconfiguring interior spaces (patient rooms, toilet and bathing facilities, nursing stations, clinical areas, day rooms, patient program areas), installing new windows and doors, insulating exterior walls, installing new finishes, expanding HAVC systems, resizing electrical systems, and replacing/installing life/fire safety, and security systems.

Architecture One, 311 South Eighth Street, Brainerd, Minnesota, completed a predesign for this project in October 1999. The predesign estimate for this project totals $5.765 million.

BACKGROUND INFORMATION
Building #20 was constructed in 1960 as a residential building for developmentally disabled (DD) persons. Over the years it has had some remodeling, however it still retains some of the original congregate care design elements (shared toilet and bathing areas, large multi person bed-rooms, limited day spaces, non-efficient ancillary/support space adjacencies, etc.).

In recent years Building #20 has been used for residential/program space for the facility's adult mental health program. It is a single story building, with a partial basement. It is structurally sound, the roofing system is in good condition (currently scheduled for replacement in 2006), and the mechanical and electrical utility systems supplied to the building are more than adequate to meet the expanded capacity required of the proposed building improvements.

Interior finishes and basic space configurations have not been modified for many years. Interior doors and the built-in wardrobes show considerable wear. In addition, the building does not meet all ADA accessibility requirements and the life and fire safety systems do not meet current standards. These issues cause considerable problems during licensing reviews, and pose less than desirable environments for effective treatment programs.

The Timberland Mental Health Program currently provides psychiatric treatment services to individuals from a 23-county catchment area which includes the following counties: Aitkin, Beltrami, Benton, Carlton, Cass, Chisago, Clearwater, Cook, Crow Wing, Hubbard, Isanti, Kanabec, Koochiching, lake, Lake of the Woods, Mille Lacs, Morrision, Pine, St. Louis, Sterns, Todd, and Wadena.

PROJECT OBJECTIVE
Residential units that are clean, quiet, comfortable and aesthetically pleasing are essential for creating an atmosphere that is conducive to effective and efficient treatment programs. This project relates to the department's strategic objectives to modernize and upgrade state-operated psychiatric facilities, make spaces more conducive to active treatment; and to address critical repair, replacement and renewal needs specific to the physical assets which are projected to be utilized in the long-term operations of the individual RTCs.

This project also relates to the department's commitment to consolidate and restructure the state RTC system. If funded, it will enable the department to continue efforts to develop modern facilities in the north central region of the state, which are appropriate for inpatient services for persons with serious and persistent mental illness. This project is consistent with the department's strategic goals and objectives to:

- enhance a community based service network to meet the needs of patients with serious and persistent mental illness (SPMI) so that the need for long term inpatient hospital beds is minimized,
- reduce the cost of caring for SPMI patients through less reliance on expensive hospital care without compromising quality;
- replace and/or upgrade aging and inadequate residential, program and ancillary service facilities with new or improved facilities based on the reduced bed capacity required in the context of the community services developed through the Adult Mental Health Initiative authorized by the 1995 legislature;
- sizing of future facility space requirements will be based on minimum essential "safety net" services; and
- assure more equitable access to treatment opportunities for rural residents by repositioning some RTC psychiatric capacity to alternative community sites through state operated community services and creative partnerships with community vendors.

As campus-based restructuring of RTC services continues, and as the "safety net" is redefined to include more community outreach and other wrap around services space requirements at all the RTCs will continue to decrease. However, as the RTC MI programs continue to change and develop, the cyclical nature of mental illness will require continued need for campus-based psychiatric programs. The size of Minnesota, coupled with the need for timely intervention with clients in crisis will require the continued presence of state operated psychiatric bed capacity in all geographic regions where current services are situated.

Funding of this request will enable the department to continue with its plan to replace and/or upgrade aging and inadequate residential and program facilities with new or improved facilities for the bed capacity it believes is needed to meet the regions needs once community integration is completed.

IMPACT ON AGENCY OPERATING BUDGETS (FACILITIES NOTE):

None.

OTHER CONSIDERATIONS:

Brainerd Regional Human Services Center will continue to be an integral part of the Department of Human Services' long-range strategic plan to make state-operated health care services more responsive to the needs of the people it is intended to serve. To achieve this goal, the department is proposing a multi-phased restructuring and modernization of RTC health facilities it plans to utilize for the foreseeable future. A primary objective of this modernization program is to ensure that all residential and program areas provide space that is conducive to active treatment. The improvements proposed for Building #20 are meant to address this objective.

PROJECT CONTACT PERSON, TITLE, ADDRESS, PHONE, FAX, AND E-MAIL:

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Dollars in Thousands ($137,500 = $138)

TOTAL PROJECT COSTS All Years and All Funding Sources	Project Costs All Prior Years	Project Costs FY 2000-01	Project Costs FY 2002-03	Project Costs FY 2004-05	Project Costs All Years	Project Start (Month/Year)	Project Finish (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	$0	$0	$0	$0	$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign **SUBTOTAL**	24	0	0	0	24		
3. Design Fees							
Schematic	0	52	0	0	52	08/2000	12/2000
Design Development	0	69	0	0	69	12/2000	01/2001
Contract Documents	0	138	0	0	138	01/2001	03/2001
Construction Administration	0	86	0	0	86	04/2001	03/2002
SUBTOTAL	0	345	0	0	345		
4. Project Management							
State Staff Project Management	0	0	0	0	0		
Construction Management	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
5. Construction Costs						01/2001	01/2002
Site & Building Preparation	0	0	0	0	0		
Demolition/Decommissioning	0	200	0	0	200		
Construction	0	3,500	0	0	3,500		
Infrastructure/Roads/Utilities	0	75	0	0	75		
Hazardous Material Abatement	0	175	0	0	175		
Construction Contingency	0	350	0	0	350		
Other Costs	0	0	0	0	0		
SUBTOTAL	0	4,300	0	0	4,300		
6. Art **SUBTOTAL**	0	21	0	0	21	06/2001	01/2002
7. Occupancy							
Furniture, Fixtures and Equipment	0	200	0	0	200	06/2001	12/2001
Telecommunications (voice & data)	0	160	0	0	160	06/2001	12/2001
Security Equipment	0	64	0	0	64	06/2001	12/2001
Commissioning	0	160	0	0	160	10/2001	12/2001
SUBTOTAL	0	584	0	0	584		
8. Inflation							
Midpoint of Construction		07/2001					
Inflation Multiplier		9.80%	0.00%	0.00%			
Inflation Cost **SUBTOTAL**		515	0	0	515		
9. Other **SUBTOTAL**	0	0	0	0	0		
GRAND TOTAL	$24	$5,765	$0	$0	$5,789		

Dollars in Thousands ($137,500 = $138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	5,765	0	0	5,765
State Funds Subtotal	0	5,765	0	0	5,765
Agency Operating Budget Funds	24	0	0	0	24
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	**24**	**5,765**	**0**	**0**	**5,789**

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	0	0	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	0	0	0
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	0	0	0
Change from Current FY 2000-01		0	0	0	0
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	5,765	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
No	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
No	MS 16B.335 (2): Other Projects (Legislative Notification)
Yes	MS 16B.335 (3): Predesign Requirement (Administration Dept)
Yes	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Dollars in Thousands ($137,500 = $138)

Department of Administration Analysis:

12/7/99

There is no predesign on record for this request. The narrative suggests programmatic alterations to the facility beyond infrastructure improvements. It is understood that building 22 was originally considered for the project.

Department of Finance Analysis:

This request represents needed improvements on the Brainerd campus to ensure residential and program space is conducive to appropriate treatment options.

The statewide strategic score reflects Brainerd's importance to the department's long-range strategic plan for the RTC system and the prominence of the Brainerd catchment area.

Governor's Recommendation:

The Governor does not recommend capital funds for this project.

STATEWIDE STRATEGIC SCORE		
Criteria	**Values**	**Points**
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	120
Safety/Code Concerns	0/35/70/105	35
Customer Service/Statewide Significance	0/35/70/105	70
Agency Priority	0/25/50/75/100	25
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	40
State Operating Savings or Operating Efficiencies	0/20/40/60	20
Contained in State Six-Year Planning Estimates	0/25/50	25
Total	700 Maximum	335

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2000 STATE APPROPRIATION REQUEST: $1,140

AGENCY PROJECT PRIORITY: 10 of 10

PROJECT LOCATION: METO Campus - Cambridge

PROJECT DESCRIPTION:

This project request is for funds to remodel Building #18 for the Minnesota Extended Treatment Options (METO) program's administrative support facility. The primary objective of this request is to accommodate the relocation of the METO administrative services from the current large CRHSC Administration Building, to the much smaller, more efficient, centrally located, Building #18.

The old Cambridge Regional Human Services Center's Administration Building was constructed in the 1920s. It is a multi-storied building, with a total of 77,639 square feet. It provided space for all of CRHSC's administrative functions (administration, business office, staff development, human resources, social services, etc.). It also housed the facility's dietary department and provided space for a majority of the facilities support services. In recent years part of the building was leased to the local school district for offices and the main dining room was utilized for canteen services.

Building #18, often called the Infirmary, was constructed in 1955 as a specialized residential building. It is a one-story building with a full basement. The basement has been used for storage mechanical stock and other miscellaneous items. Part of the main level is used for the Community Clinics program. However, a majority of the main level is not being appropriately used. The main level of Building #18 has approximately 24,000 square feet of usable space.

Building #18 has a new roof, is much more energy efficient than the old Administration Building, and is in good structural condition. Its basic mechanical and electrical systems are good; however, they will be upgraded as part of this project so they can accommodate the requirements of an office building. Building #18 is also located adjacent to the new METO residences and the programs recreational building. It will make an excellent administrative/support building for the METO program.

The old Administration Building is too large for the METO program to utilize, but it is structurally sound and has worked well for ancillary services and support functions for CRHSC. The department believes that the old Administration Building is a good candidate for alternative use and plans to work with local officials to investigate potential uses.

Funding of this project will free up the existing Administration Building for alternative uses, significantly reduce future space costs for METO Administrative Services, and locate support services for the METO program in a building that is adjacent to the new residential buildings, and convenient to the program buildings.

IMPACT ON STATE AGENCY OPERATING BUDGETS (FACILITIES NOTE):

This project will not have a significant impact on the program's operating budget.

Ultimately the METO program administrative support could remain in its existing space in the old Administration Building. This would eliminate the opportunity for alternative uses for the space and requires the state to continue to operate and maintain this large and under utilized building.

PROJECT CONTACT PERSON, TITLE, ADDRESS, PHONE, FAX, AND E-MAIL:

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SOSS Division
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Human Services, Department of
METO - Renovate Bldg.#18 for METO Admin.

AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands ($137,500 = $138)

Project Cost

TOTAL PROJECT COSTS All Years and All Funding Sources	Project Costs All Prior Years	Project Costs FY 2000-01	Project Costs FY 2002-03	Project Costs FY 2004-05	Project Costs All Years	Project Start (Month/Year)	Project Finish (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	$0	$0	$0	$0	$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign SUBTOTAL	0	0	0	0	0		
3. Design Fees							
Schematic	0	11	0	0	11	06/2000	07/2000
Design Development	0	16	0	0	16	07/2000	08/2000
Contract Documents	0	30	0	0	30	08/2000	09/2000
Construction Administration	0	20	0	0	20	09/2000	03/2001
SUBTOTAL	0	77	0	0	77		
4. Project Management							
State Staff Project Management	0	0	0	0	0		
Construction Management	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
5. Construction Costs						09/2000	03/2001
Site & Building Preparation	0	0	0	0	0		
Demolition/Decommissioning	0	0	0	0	0		
Construction	0	500	0	0	500		
Infrastructure/Roads/Utilities	0	0	0	0	0		
Hazardous Material Abatement	0	75	0	0	75		
Construction Contingency	0	25	0	0	25		
SUBTOTAL	0	600	0	0	600		
6. Art SUBTOTAL	0	0	0	0	0		
7. Occupancy							
Furniture, Fixtures and Equipment	0	250	0	0	250	10/2000	02/2001
Telecommunications (voice & data)	0	100	0	0	100	10/0200	02/2001
Security Equipment	0	25	0	0	25	10/2000	03/2001
Commissioning	0	10	0	0	10	02/2001	03/2001
SUBTOTAL	0	385	0	0	385		
8. Inflation							
Midpoint of Construction		01/2001					
Inflation Multiplier		7.30%	0.00%	0.00%			
Inflation Cost **SUBTOTAL**		78	0	0	78		
9. Other SUBTOTAL	0	0	0	0	0		
GRAND TOTAL	$0	$1,140	$0	$0	$1,140		

Dollars in Thousands ($137,500 = $138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	1,140	0	0	1,140
State Funds Subtotal	0	1,140	0	0	1,140
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	**0**	**1,140**	**0**	**0**	**1,140**

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation) FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	0	0	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	0	0	0
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	0	0	0
Change from Current FY 2000-01		0	0	0	0
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	1,140	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
No	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
No	MS 16B.335 (2): Other Projects (Legislative Notification)
No	MS 16B.335 (3): Predesign Requirement (Administration Dept)
Yes	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Dollars in Thousands ($137,500 = $138)

Department of Administration Analysis:

12/7/99

The project does not require predesign as it falls below the threshold for project cost requiring predesign, however, an informal predesign will be executed.

The Occupancy cost indicate 64.2% which is above the guidelines of 5-7%. Please justify.

Department of Finance Analysis:

Although this request is not critical to the department's mission, it is important to the department's strategic long-range plan for the RTC system. This request, along with priorities #4 and #7 will complete the reconfiguration of the Cambridge campus to better suit the smaller program needs of METO.

Governor's Recommendation:

The Governor does not recommend capital funds for this project.

STATEWIDE STRATEGIC SCORE		
Criteria	**Values**	**Points**
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	80
Safety/Code Concerns	0/35/70/105	0
Customer Service/Statewide Significance	0/35/70/105	35
Agency Priority	0/25/50/75/100	25
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	40
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	0
Total	700 Maximum	180

Dollars in Thousands ($137,500 = $138)

Project Title	2000 Agency Priority Ranking	Agency Project Requests for State Funds ($ by Session)				Statewide Strategic Score	Governor's Recommendation 2000	Governor's Planning Estimate	
		2000	2002	2004	Total			2002	2004
Hastings Building Preservation	1	$7,084	$7,416	$0	$14,500	470	$7,084	$7,416	$0
Minneapolis Repair and Replacement	2	1,750	0	0	1,750	335	1,750	0	0
Asset Preservation	3	4,000	6,297	4,720	15,017	370	4,000	6,297	4,720
Silver Bay Maintenance & Storage Facility	4	593	0	0	593	255	593	0	0
Total Project Requests		$13,427	$13,713	$4,720	$31,860		$13,427	$13,713	$4,720

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Dollars in Thousands ($137,500 = $138)

AGENCY MISSION STATEMENT:

M.S. 198.01 charges the Veterans Homes to "provide nursing care and related health and social services to veterans and their spouses who meet eligibility and admission requirements." Veterans eligible for admission to our homes must have either "served in a Minnesota regiment or have been credited to the state of Minnesota, or have been a resident of the state preceding the date of application for admission." Roughly 1 of every 8 Minnesotans meets this criteria. Spouses of eligible veterans are also eligible for admission if they are "at least 55 years of age, and have been residents of the state of Minnesota preceding the date of application for their admission." Veterans or spouses must be unable by reason of wounds, disease, old age, or infirmity to properly maintain themselves.

The current Minnesota Veterans Homes Board of Directors was created in 1988 to bring the Minneapolis and Hastings Veterans Homes into compliance with local, state, and federal regulations; to write rules for the operation of the homes; to develop a geriatric research and teaching mission for the homes; to develop and implement new skilled care facilities in Silver Bay, Luverne, and Fergus Falls; and to oversee management and operations of the facilities into the future.

The Board of Directors adopted the following mission statement as the standard for veterans homes:

The mission of the Veterans Homes Board is to oversee and guarantee high quality health care for veterans and dependents in its care.

This mission is demonstrated by:
- targeting services to veterans with special needs;
- supporting research and education in geriatrics and long term care;
- providing a therapeutic environment that encourages resident independence, respects individuality, and promotes self worth and well being;
- continuous evaluation of care and services to be responsive to changing needs;
- managing the Minnesota Veterans Homes with honesty, integrity, and cost effectiveness;
- recognizing employees for their contributions; and
- working cooperatively with the medical communities.

TRENDS, POLICIES AND OTHERS ISSUES AFFECTING THE DEMAND FOR SERVICES, FACILITIES, OR CAPITAL PROGRAMS:

Almost 250,000 of Minnesota's veterans are over age 65 today and therefore increasingly frail and needy. According to Veterans Administration (VA) studies, 25% of veterans who need to be placed in a long-term care setting will experience behavioral and health problems which will make them unsuitable candidates for placement in private long-term care facilities. When a private long-term care facility cannot meet the needs of a difficult-to-care-for elderly veteran, that resident is moved out of that facility and forced to try to find another facility willing to attempt to provide care. Each time a long-term care resident is moved from one facility to another, a destabilizing and disorienting stress is created that reduces that resident's remaining life expectancy by about 6 months.

Minnesota currently has 44,912 licensed skilled long-term care beds. If 1 of every 8 of these beds were filled by veterans, 5,614 beds would be needed. If 25% of these veterans were not suitable candidates for private long-term care, the veterans home would need 1,404 skilled-care beds to meet the state's veteran population need. The veterans homes (Minneapolis, Silver Bay, Luverne, and Fergus Falls) are licensed for 605 skilled-care long-term beds. The mission statement of the Veterans Homes reflects the knowledge that we are focused on providing care for those "veterans with special needs" that cannot or are not being met in other facilities. Our programs are specialized to our veterans' needs. We continue to evaluate our services on an ongoing basis to ensure that the care and services provided are appropriate to our mission and responsive to the changing special needs of the veterans' community. Our waiting lists currently have over 150 applicants seeking admission.

The homes are licensed for:

	Board & Care Beds	Skilled Care Beds
Minneapolis	194	346
Hastings	200	0
Silver Bay	0	89
Luverne	0	85
Fergus Falls	0	85
Total beds	394	605

Over 75% of our current skilled-care residents have come from other medical care facilities; 61% of these facilities were private long-term care facilities, and the other 39% were from acute care settings.

The veterans homes are different from private facilities. Our population is predominantly male, not female. The average age of our residents is 73, not 81. Our top 10 chronic conditions differ as well. For example, our most frequent chronic condition is alcohol abuse at 43%, while theirs is osteo-arthrosis at 32%. Our average length of stay is 4 years, compared to 14 months in other facilities.

The VA report, "Caring for the Older Veteran," highlights the growth trends of veterans' care needs. This report states that "the aging trend in the veteran population because of its unique composition is challenging the nation's health systems. Veterans tend to cluster in age groups related to service in major conflicts. In 1990, 1 of 4 veterans were 65 years of age or older; by 2000, the figure will become 1 of 3; and by 2020, the figure will reach nearly 1 of 2 veterans. Aging is known to bring a whole new set of health and economic problems, problems which will affect the veteran population similarly to the general population."

Dollars in Thousands ($137,500 = $138)

The Department of Administration's 1989 Management Analysis Division report, titled "The Need for Additional Veterans Nursing Homes in Minnesota," concurred that veterans who will be in need of our nursing care services will continue to grow.

Year	Minnesota Veterans	# Needing Care	% Needing Care
1989	485,362	4,120	.8%
1995	446,464	5,336	1.2%
2000	413,421	6,709	1.6%
2010	347,440	9,082	2.6%
2020	285,859	8,941	3.1%

The 5 Minnesota Veterans Homes are located in Minneapolis, Hastings, Silver Bay, Luverne, and Fergus Falls. The residents of our homes are predominantly male veterans who served in World War II. Over the next few years we will see this population change to Korean Conflict veterans. This shift will bring additional challenges in caring for our residents' needs, such as increasing numbers of female veterans.

Complicating these challenges are the shrinking services offered to our residents from the Veterans Administration Medical Center (VAMC). The U.S. Department of Veterans Administration, like other federal agencies, is experiencing cutbacks. These cutbacks result in earlier hospital discharges, fewer medical support services, increased costs for services provided, and less research on the long-term care needs of veterans.

The Board of Directors has identified the capital needs facing our homes over the next few years. The immediate issues are to bring our 2 older homes (Minneapolis and Hastings) up to current health care, life safety, and fire code standards and into compliance with Americans with Disabilities Act (ADA) standards.

PROVIDE A SELF-ASSESSMENT OF THE CONDITION, SUITABILITY, AND FUNCTIONALITY OF PRESENT FACILITIES, CAPITAL PROJECTS, OR ASSETS:

The Minneapolis home has recently completed a major renovation project that reconstructed seven buildings, reconstructed the connecting bridge that is the primary access to the campus, and significantly improved the campus infrastructure. This campus is still in need of some key repair and replacement projects to address safety concerns and to maintain the renovations that have taken place. Since the home is an historic site, repairs are costly and beyond the scope of current operating budgets.

The Hastings home is in fair condition even with its low operating budget for repair and betterment. This campus, however, has immediate problems in the following areas that must be solved: fire safety, asbestos, underground tank storage, ADA compliance, Minnesota Pollution Control citations, and hazardous chemicals. Correction of these issues will conserve energy and also protect the environment.

The Silver Bay home was converted from an elementary school into a skilled-care nursing home. The home, located in northeast Minnesota, lacks storage space for supplies and space to house vehicles not in use or needing maintenance. Additionally, there is a need for a maintenance workshop to allow servicing of equipment currently used in the home.

The Luverne home opened for residents in January 1994, and the Fergus Falls home opened in January 1998. Both of these homes are new construction.

DESCRIBE THE AGENCY'S LONG-RANGE STRATEGIC GOALS AND CAPITAL BUDGET PLAN:

The agency's long-range strategic operating plans and capital budget goals are to ensure that each of our homes is able to provide the highest quality of care to our residents in a therapeutic, highly adaptive and dignified environment.

In order to meet these goals, we must ensure that each veterans home is in good operating condition. If a home requires renovation or new construction, we will analyze the need, review the options, and request the funding required for meeting the need. If the project qualifies for federal funding or participation, we will seek legislation authorizing us to request such assistance.

In 1988, when the current Board of Directors was created, the Minneapolis and Hastings Veterans Homes were already in need of campus upgrading and renovation. The board and the homes have previously requested funding for the renovations and upgrading necessary for both of these campuses. Several studies have been completed that clearly demonstrate the need for these projects.

The 2000 request of $7.084 million at the Minnesota Veterans Home in Hastings would repair and replace utility infrastructure as well as structural and mechanical building components, which were deferred from the 1998 construction project. The 1998 legislative appropriation authorized a pre-design to identify each repair and replacement project needed on this campus. The pre-design was used to identify the most timely, priority-driven projects to be completed with the 1998 bonding funds. The remaining projects were deferred to this bonding request because of funding limitations. The 1998 bonding bill completed most of the mechanical portion of the power plant renovation. The 1998 request upgraded the heating system within the power plant, replaced the main utility distribution tunnel to building 23 from the power plant, and installed a new main electrical distribution system from where it enters the campus, installing new lines to the power plant.

The historic Minneapolis Veterans Home is requesting funding of $1.75 million. The projects include replacing a critical waterline main, replacing a leaking roof of an historic building, adding a freight elevator, exterior envelope restoration of 2 key buildings, functional improvements for high use nursing stations, and upgraded security and monitoring system.

The Silver Bay Veterans Home is requesting $593 thousand to add a structure that would contain a repair shop, vehicle storage, cold storage, and maintenance offices.

The agency is also requesting $4 million for agency-wide asset preservation projects. This request would upgrade deteriorated structural and mechanical items at all facilities.

AGENCY PROCESS USED TO ARRIVE AT THESE CAPITAL REQUESTS:

The Board of Directors has established a Building and Maintenance committee. This committee is charged with monitoring the physical needs of our campuses. The mission and programs for this agency serve a targeted population. The Building and Maintenance committee assures that facilities meet the long-range goals of the agency.

The current capital budget request has been reviewed and recommended by the homes and the board. The priorities were reviewed using the following goals:

- **Quality patient care**. This includes both the services available to the residents and the environment in which residents reside.
- **Maintenance and protection of the physical plant.** This includes correcting current deficiencies and maintaining the integrity of the physical plant.
- **Adequate, viable infrastructure support**. This includes providing management with the tools necessary to ensure efficient operation of the homes.

The Long-Range Planning Study and the Historic Structures Report used to develop these requests contain a building-by-building evaluation of all buildings at the Minneapolis and Hastings veterans homes. These evaluations detail the condition of the buildings, the asbestos content, and the modification needed to comply with ADA standards. The study also includes long-range strategic plans for the Minneapolis and Hastings veterans homes' renovations, remodeling, and new constructions. These plans, if implemented, will not only bring the homes into compliance with current health care and safety standards, but will also improve the service delivery to our residents.

AGENCY CAPITAL BUDGET PROJECTS DURING THE LAST SIX YEARS (1994-1999):

The Minneapolis renovation project was completed in December 1999. The project included the complete renovation of buildings 6,9,1,2, and 4, portions of buildings 16 and 17, as well as the Minnehaha steel arch bridge.

Minneapolis received $6.341 million in 1998 to address critical infrastructure needs on the campus.

A $1.162 million project to replace windows, repair the roof, and reconfigure the 8-person dorms in building 23 at the Hastings Veterans Home was completed in 1996.

Replacement of the electric generator at Hastings was completed in December 1997, with $500 thousand of asset preservation funding.

Hastings received $5.713 million in 1998 for boiler replacement, asbestos replacement, a new condensation/feed water system, lead paint abatement, building refinishing, and heating and plumbing improvements.

The Silver Bay dementia unit wander area project ($240 thousand) was completed in 1998.

The Luverne home is in the midst of a $6.2 million emergency project to abate mold growth, increase the air handling capacity, and replace windows. The VHB's repair and replacement account makes up $2.0 million of this amount, with the balance coming from statewide CAPRA funding.

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2000 STATE APPROPRIATION REQUEST: $7,084

AGENCY PROJECT PRIORITY: 1 of 4

PROJECT LOCATION: 1200 East 18th Street, Hastings

PROJECT DESCRIPTION:
The Veterans Homes Board is requesting $7.084 million for the facility in Hastings to repair and replace utility infrastructure and structural and mechanical building components.

The Minnesota Veterans Home in Hastings is located on 140.26 acres in the southeast corner of the city. The site contains 16 buildings and was built originally as a state hospital in the early 1900s. This facility became a veterans home in 1978 and has since housed veterans, many of whom are homeless, receiving recovery and dual prognosis aftercare treatment and rehabilitation. These veterans often suffer from mental illness, chemical dependency, and drug abuse. Several of the buildings on this campus are connected by an infrastructure tunnel system that serves heating and cooling distribution. The Hastings facility also leases 3 buildings to Dakota County, which offers Detox services to county residents.

Since the 1998 bonding bill, a design consultant has identified and established priority-driven infrastructure deficiencies at the Hastings facility. Project priority was given to urgent structural and mechanical repairs to maintain reliability for the campus in addition to safety and health. The design consultant completed a campus-wide pre-design as part of this assessment. The pre-design identified several deficiencies which will need replacement in the near future, and it identified projects totaling $14.5 million. The current infrastructure project under design (phase 1) will replace mechanical components within the power plant and the related support services delivery systems. The pre-design addressed the delivery system to each building, which is introduced through a tunnel system that runs throughout the campus.

This phase 2 request will address several improvements to the campus:

- Reconstruction of the tunnels which were temporarily shored up in the 1998 bonding projects, and replace the remaining distribution system lines and condensate pumps in these tunnels, which were previously deferred.
  $564 thousand

- Repair or replace the plumbing, HVAC, fire alarm system to the resident care building 23. The current system does not meet the mandated climate control for interiors of VA resident buildings.
  $4.299 million

- Repair or replace the plumbing, HVAC, fire alarm system, and the entire exterior envelope to establish structural integrity to the power plant, building 30. The planning of the structural work for building 30 (power plant) was intentionally placed in phase 2, allowing time to complete the mechanical upgrades to the interior of this building.
  $1.035 million

- Replace the mechanical climate control system in building 20 to stabilize the environment for therapy programs.
  $1.186 million

The remaining infrastructure deficiencies that are being deferred will be requested in the 2002 capital request. This phase 3 initiative, which has been identified in the pre-design, would currently cost $7.4 million. The cost estimate could vary based on further evaluation and deterioration.

This request is only for a portion of the identified pre-design projects for two reasons. First, phasing this facility backlog will assist in a more defined long-term fix for the facility. Second, this campus with a mobile, demented, and fragile clientele would benefit from a more selective, site coordinated facility project upgrade.

IMPACT ON AGENCY OPERATING BUDGETS (FACILITIES NOTE):
Repair and upgrade to the exteriors of these buildings would result in mechanical and structural stability and aid heating and cooling efficiency. Stabilizing the exteriors of these buildings would create longevity and lower ongoing maintenance costs.

The nature of these infrastructure improvements should not have any significant impact on the ongoing operating costs of the facility. The improvements will, however, significantly reduce future demands on the repair and replacement budget.

OTHER CONSIDERATIONS:
Completion of the tunnels that were temporarily shored in phase 1 would address safety concerns. Staff periodically enter these tunnels to repair and maintain utility support to the campus buildings. The fire alarm system upgrade for building 23 will offer protection to the residents. Replacement of the HVAC system in building 23 will allow the facility to maintain heating and cooling requirements set forth by MDH.

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Dollars in Thousands ($137,500 = $138)

TOTAL PROJECT COSTS All Years and All Funding Sources	Project Costs All Prior Years	Project Costs FY 2000-01	Project Costs FY 2002-03	Project Costs FY 2004-05	Project Costs All Years	Project Start (Month/Year)	Project Finish (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	$0	$0	$0	$0	$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign **SUBTOTAL**	0	0	0	0	0		
3. Design Fees							
Schematic	53	100	96	0	249	07/2000	11/2000
Design Development	71	133	128	0	332	01/2001	03/2001
Contract Documents	160	265	255	0	680	03/2001	08/2001
Construction Administration	71	166	159	0	396	09/2001	07/2002
SUBTOTAL	355	664	638	0	1,657		
4. Project Management						09/2001	02/2002
State Staff Project Management	0	1	1	0	2		
Construction Management	200	158	151	0	509		
SUBTOTAL	200	159	152	0	511		
5. Construction Costs						09/2001	02/2002
Site & Building Preparation	0	0	0	0	0		
Demolition/Decommissioning	0	105	101	0	206		
Construction	2,795	3,152	4,602	0	10,549		
Infrastructure/Roads/Utilities	650	1,800	0	0	2,450		
Hazardous Material Abatement	480	158	151	0	789		
Construction Contingency	589	315	460	0	1,364		
SUBTOTAL	4,514	5,530	5,314	0	15,358		
6. Art **SUBTOTAL**	0	0	0	0	0		
7. Occupancy							
Furniture, Fixtures and Equipment	0	0	0	0	0		
Telecommunications (voice & data)	0	0	0	0	0		
Security Equipment	0	0	0	0	0		
Commissioning	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
8. Inflation							
Midpoint of Construction		11/2001	11/2003				
Inflation Multiplier		11.50%	21.50%	0.00%			
Inflation Cost **SUBTOTAL**		731	1,312	0	2,043		
9. Other **SUBTOTAL**	646	0	0	0	646		
GRAND TOTAL	$5,715	$7,084	$7,416	$0	$20,215		

Dollars in Thousands ($137,500 = $138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	5,715	7,084	7,416	0	20,215
State Funds Subtotal	5,715	7,084	7,416	0	20,215
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	**5,715**	**7,084**	**7,416**	**0**	**20,215**

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation) FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	8,073	8,073	8,073	8,073	8,073
Other Program Related Expenses	2,050	2,050	2,050	2,050	2,050
Building Operating Expenses	806	806	806	806	806
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	10,929	10,929	10,929	10,929	10,929
Revenue Offsets	0	0	0	0	0
TOTAL	10,929	10,929	10,929	10,929	10,929
Change from Current FY 2000-01		0	0	0	0
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

PREVIOUS STATE CAPITAL APPROPRIATIONS FOR THIS PROJECT (Legal Citations) Laws of Minnesota (year), Chapter, Section, Subdivision	Amount
Laws of 1998, Chapter 404, Section 19, Subd. 3	5,715

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	7,084	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
No	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
Yes	MS 16B.335 (2): Other Projects (Legislative Notification)
No	MS 16B.335 (3): Predesign Requirement (Administration Dept)
Yes	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

STATEWIDE STRATEGIC SCORE		
Criteria	**Values**	**Points**
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	120
Safety/Code Concerns	0/35/70/105	70
Customer Service/Statewide Significance	0/35/70/105	70
Agency Priority	0/25/50/75/100	100
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	60
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	50
Total	700 Maximum	470

Department of Administration Analysis:

12/7/99

Predesign is not formally required for projects of an infrastructure nature. However, it is understood that predesign in a less formal manner is being performed to identify the scope of the request. How has the predesign work identified the scope anticipated in the 2002 to the exact amount indicated?

Department of Finance Analysis:

This request represents needed improvements to the Hastings campus which will preserve the structural integrity of the campus and address important safety concerns for the residents.

The statewide strategic score reflects the importance of this campus to the Board's mission, the focus of this project on asset preservation, and the commitment the state and Board have made to this project in our six-year planning estimates.

Governor's Recommendation:

The Governor recommends general obligation bonding of $7.084 million for this project. Also included are budget planning estimates of $7.416 million in 2002.

2000 STATE APPROPRIATION REQUEST: $1,750

AGENCY PROJECT PRIORITY: 2 of 4

PROJECT LOCATION: 5101 Minnehaha Avenue South, Minneapolis

PROJECT DESCRIPTION:

The Veterans Homes Board is requesting $1.75 million for its Minneapolis campus to replace a critical water main, replace a leaking roof, install a freight elevator, renovate building exteriors, and upgrade nursing stations and the security system.

The historic Minneapolis Veterans Home campus consists of 53 acres of grounds with 18 buildings constructed at various times from as early as the 1880s to the 1970s. This campus offers long-term nursing and domiciliary care for Minnesota veterans and their spouses.

This campus is listed on the national historic register, which complicates the types of repairs and financial support needed to upgrade this campus. The nature and depth of repair of these projects could have significant impact on the ongoing operation of the facility.

The historic Minneapolis Veterans Home is requesting several projects:

- The 8" waterline main that crosses Wabun Park is in need of replacement. This sandcast water main supports the volume of water required to care for our resident population and support a fire if one were to occur. This water main, which was installed in 1930, is deteriorated and in need of replacement. Failure to replace the water line main could seriously compromise fire protection for this campus. $750 thousand

- Building 10, listed on the historic register and housing many of the campus' business offices, is in need of a new roof. The asbestos slate roof will be removed and replaced under specifications of the Minnesota Historical Society. The leaking roof is causing damage to the interior walls of the structure. $150 thousand

- A new freight elevator in building 17 would aid facility staff in caring for residents. This new elevator would be installed in a convenient staff-accessible location for use by housekeeping, dietary, and maintenance staff. The new elevator would resolve the congestion on the resident elevators. This elevator would aid the food distribution, laundry services, and maintenance. $350 thousand

- The exterior envelopes of buildings 16 and 17, built in 1974 and 1977 respectively, are in need of extensive restoration. Power washing, crack filling, and weather tight caulking is needed to preserve these buildings. The walls of these buildings are in need of redashing, cleaning, and sealing of the expansion joints. $300 thousand

- The nursing stations in building 17 need to be updated to be more functional and user-friendly. $100 thousand

- This campus needs upgraded security fencing and a new monitoring system. This item will assure security protection to visitors, residents, and staff. The current security system on this campus does not assist us in protecting our residents. $100 thousand

IMPACT ON AGENCY OPERATING BUDGETS (FACILITIES NOTE):

None.

The water main has ruptured in the past and is a safety concern. If this line were to break during high peak demand, the facility and its residents could be in severe danger. Allowing the roof leak and wall damage to continue in building 10 could cause dangerous mold growth on the interior of this building, causing respiratory damage to staff working within this building. The security system requested for campus observation and border fencing would also address safety concerns. This campus is bordered by the Minneapolis Park system requiring this system to clearly assist staff with liability and safety issues.

PROJECT CONTACT PERSON, TITLE, ADDRESS, PHONE, FAX, AND E-MAIL:

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Dollars in Thousands ($137,500 = $138)

TOTAL PROJECT COSTS All Years and All Funding Sources	Project Costs All Prior Years	Project Costs FY 2000-01	Project Costs FY 2002-03	Project Costs FY 2004-05	Project Costs All Years	Project Start (Month/Year)	Project Finish (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	$0	$0	$0	$0	$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign SUBTOTAL	43	0	0	0	43		
3. Design Fees							
Schematic	97	26	0	0	123	07/2000	11/2000
Design Development	129	34	0	0	163	11/2000	03/2001
Contract Documents	291	69	0	0	360	03/2001	05/2001
Construction Administration	129	43	0	0	172	06/2001	12/2001
SUBTOTAL	646	172	0	0	818		
4. Project Management						06/2001	12/2001
State Staff Project Management	0	1	0	0	1		
Construction Management	431	12	0	0	443		
SUBTOTAL	431	13	0	0	444		
5. Construction Costs						06/2001	12/2001
Site & Building Preparation	0	24	0	0	24		
Demolition/Decommissioning	0	26	0	0	26		
Construction	0	775	0	0	775		
Infrastructure/Roads/Utilities	5,037	380	0	0	5,417		
Hazardous Material Abatement	782	39	0	0	821		
Construction Contingency	0	78	0	0	78		
SUBTOTAL	5,819	1,322	0	0	7,141		
6. Art SUBTOTAL	0	0	0	0	0		
7. Occupancy							
Furniture, Fixtures and Equipment	0	0	0	0	0		
Telecommunications (voice & data)	0	0	0	0	0		
Security Equipment	0	75	0	0	75	09/2000	11/2000
Commissioning	0	0	0	0	0		
SUBTOTAL	0	75	0	0	75		
8. Inflation							
Midpoint of Construction		09/2001					
Inflation Multiplier		10.60%	0.00%	0.00%			
Inflation Cost **SUBTOTAL**		168	0	0	168		
9. Other SUBTOTAL	714	0	0	0	714		
GRAND TOTAL	$7,653	$1,750	$0	$0	$9,403		

Dollars in Thousands ($137,500 = $138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	1,750	0	0	1,750
General	7,610	0	0	0	7,610
State Funds Subtotal	7,610	1,750	0	0	9,360
Agency Operating Budget Funds	43	0	0	0	43
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	**7,653**	**1,750**	**0**	**0**	**9,403**

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	42,216	42,216	42,216	42,216	42,216
Other Program Related Expenses	5,270	5,270	5,270	5,270	5,270
Building Operating Expenses	2,455	2,455	2,455	2,455	2,455
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	49,941	49,941	49,941	49,941	49,941
Revenue Offsets	0	0	0	0	0
TOTAL	49,941	49,941	49,941	49,941	49,941
Change from Current FY 2000-01		0	0	0	0
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

PREVIOUS STATE CAPITAL APPROPRIATIONS FOR THIS PROJECT (Legal Citations) Laws of Minnesota (year), Chapter, Section, Subdivision	**Amount**
Laws of Mn 1998, Chapter 404, Sec. 19	6,340
Laws of Mn 1997, Chapter 203, Art. 1, Sec.14	1,270

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	1,750	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
No	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
Yes	MS 16B.335 (2): Other Projects (Legislative Notification)
No	MS 16B.335 (3): Predesign Requirement (Administration Dept)
Yes	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Dollars in Thousands ($137,500 = $138)

Department of Administration Analysis:

12/7/99

NA

Department of Finance Analysis:

The Minneapolis Home is completing a major campus-wide renovation project. Projects in this request will complement that renovation.

The statewide strategic score reflects the fact that some components of this request are more critical to the Board's mission than others and that there is a mixture of life/safety improvements and programmatic improvements.

Governor's Recommendation:

The Governor recommends general obligation bonding of $1.75 million for this project.

STATEWIDE STRATEGIC SCORE		
Criteria	**Values**	**Points**
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	80
Safety/Code Concerns	0/35/70/105	70
Customer Service/Statewide Significance	0/35/70/105	70
Agency Priority	0/25/50/75/100	75
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	40
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	0
Total	700 Maximum	335

2000 STATE APPROPRIATION REQUEST: $4,000

AGENCY PROJECT PRIORITY: 3 of 4

PROJECT LOCATION: Statewide Veteran's Homes

PROJECT DESCRIPTION AND RATIONALE:

The Veterans Homes Board (MVHB) is requesting $4 million for system-wide asset preservation.

The Minnesota Veterans Homes Board manages 50 buildings at five facility locations while providing care for over 800 residents. This asset preservation request will assist the agency in addressing building repair items that go beyond the day-to-day maintenance needs of the facilities.

This request would upgrade deteriorated structural and mechanical items at all of the facilities. These projects serve to maintain a safe, efficient, and manageable environment. Included is the rebuilding of air distribution systems and tuck pointing of historic buildings at the Minneapolis campus. The request at Hastings would complete general maintenance backlog projects, such as reconstructing parking lots and replacing deteriorated doors and windows. In Silver Bay, the funding would refurbish the exterior of the facility. This funding would also replace sidewalks and rebuild the parking lot, which are unsafe and cause a liability for the state.

The 1998 bonding bill contained a provision requiring state agencies to include in their operating budgets amounts necessary to adequately maintain their facilities. Based on this directive, the Statewide Facilities Management group, with assistance from the Department of Administration's Building Construction Division, and in consultation with the Department of Finance, developed a set of funding guidelines. These guidelines indicate that the annual maintenance funding for the Veteran's Homes agency facilities would be $2.9 million each year. The amount identified in this asset preservation request reflects the shortfall created as a result of previous underfunding of repair and replacement requests.

The governor and the legislature recognized the asset preservation needs of the MVHB by establishing a $1 million per year appropriation. However, 2000-01 biennial appropriations law directed the entire 2-year asset preservation funding of $2 million to the Luverne Veterans Home. This request would allow us to replenish this funding and address the building maintenance backlog within the Veterans Homes.

IMPACT ON AGENCY OPERATING BUDGETS (FACILITIES NOTE):

The nature of these infrastructure improvements should not have any significant impact on the ongoing operating costs of the facility.

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Dollars in Thousands ($137,500 = $138)

TOTAL PROJECT COSTS All Years and All Funding Sources	Project Costs All Prior Years	Project Costs FY 2000-01	Project Costs FY 2002-03	Project Costs FY 2004-05	Project Costs All Years	Project Start (Month/Year)	Project Finish (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	$0	$0	$0	$0	$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign SUBTOTAL	0	0	0	0	0		
3. Design Fees							
Schematic	0	60	86	60	206	07/2000	11/2000
Design Development	12	80	115	80	287	11/2000	02/2001
Contract Documents	0	159	231	159	549	02/2001	04/2001
Construction Administration	0	100	144	100	344	05/2001	02/2002
SUBTOTAL	12	399	576	399	1,386		
4. Project Management						05/2001	02/2002
State Staff Project Management	0	45	65	45	155		
Construction Management	12	89	125	89	315		
SUBTOTAL	12	134	190	134	470		
5. Construction Costs						05/2001	02/2002
Site & Building Preparation	12	89	125	89	315		
Demolition/Decommissioning	0	0	0	0	0		
Construction	422	2,653	3,841	2,653	9,569		
Infrastructure/Roads/Utilities	0	0	0	0	0		
Hazardous Material Abatement	0	60	84	60	204		
Construction Contingency	42	265	384	265	956		
SUBTOTAL	476	3,067	4,434	3,067	11,044		
6. Art SUBTOTAL	0	0	0	0	0		
7. Occupancy							
Furniture, Fixtures and Equipment	0	0	0	0	0		
Telecommunications (voice & data)	0	0	0	0	0		
Security Equipment	0	0	0	0	0		
Commissioning	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
8. Inflation							
Midpoint of Construction		10/2001	10/2003	10/2005			
Inflation Multiplier		11.10%	21.10%	31.10%			
Inflation Cost **SUBTOTAL**		400	1,097	1,120	2,617		
9. Other SUBTOTAL	0	0	0	0	0		
GRAND TOTAL	$500	$4,000	$6,297	$4,720	$15,517		

Dollars in Thousands ($137,500 = $138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	500	4,000	6,297	4,720	15,517
State Funds Subtotal	500	4,000	6,297	4,720	15,517
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	**500**	**4,000**	**6,297**	**4,720**	**15,517**

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	0	0	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	0	0	0
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	0	0	0
Change from Current FY 2000-01		0	0	0	0
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

PREVIOUS STATE CAPITAL APPROPRIATIONS FOR THIS PROJECT (Legal Citations) Laws of Minnesota (year), Chapter, Section, Subdivision	**Amount**
Laws of 1996, Chapter 463, Section 18, Subd. 2	500

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	4,000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
Yes	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
No	MS 16B.335 (2): Other Projects (Legislative Notification)
No	MS 16B.335 (3): Predesign Requirement (Administration Dept)
Yes	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Dollars in Thousands ($137,500 = $138)

Department of Administration Analysis:

12/7/99

NA

Department of Finance Analysis:

The Minnesota Veterans Homes include some of the oldest buildings in the state's ownership. While we have made significant investment in several campuses, the buildings continue to need ongoing maintenance and repairs. The Homes will not benefit from the increase to their base budget for repairs and betterments until the next biennium. The hoard has also made good use of CAPRA funds in the past.

Governor's Recommendation:

The Governor recommends general obligation bonding of $4.0 million for this project. Also included are budget planning estimates of $6.297 million in 2002 and $4.72 million in 2004.

STATEWIDE STRATEGIC SCORE		
Criteria	**Values**	**Points**
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	120
Safety/Code Concerns	0/35/70/105	70
Customer Service/Statewide Significance	0/35/70/105	70
Agency Priority	0/25/50/75/100	50
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	60
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	0
Total	700 Maximum	370

2000 STATE APPROPRIATION REQUEST: $593

AGENCY PROJECT PRIORITY: 4 of 4

PROJECT LOCATION: 45 Banks Boulevard, Silver Bay

PROJECT DESCRIPTION:

The Silver Bay Veterans Home is requesting $593 thousand for a structural building addition to the nursing care facility. This structure would contain a repair shop, vehicle storage, cold storage, and a maintenance office. This structure would allow staff to repair, house, and maintain its equipment in a more manageable environment.

The Minnesota Veterans Home in Silver Bay is located on Minnesota's north shore just north of Two Harbors in Lake County. This nursing care facility was originally built as a grade school in 1953. Upon receipt of a federal grant, legislation in 1989 authorized the retrofit of this facility into an 89-bed nursing care facility.

The veterans' transportation vehicles are kept outside year round. These vehicles are subjected to extreme cold conditions with accelerated wear and tear due to road salt, paint deterioration, and rusting parts. The accelerated deterioration of these vehicles causes undue hardship to the facility budget. One of the stalls in the new maintenance facility would have floor drains for use as a wash bay for the transportation vehicles. The ability to house the vehicles, lawn equipment, and snow removal equipment would arrest the rapid depreciation now occurring. In addition, the ability to load residents in the warm garage in the winter will add resident comfort and enhance mobility to outpatient medical appointments.

The undersized maintenance shop office currently doubles as a repair shop, creating unsafe, cramped working conditions. The maintenance shop has been cited for safety code violations.

This long-term nursing care facility is extremely short of space in general. The storage space in this structure would free up space within the nursing home to be used for programming needs such as pharmacy, accessible resident lounge space, library, or exam room. The U.S. Department of Veterans Affairs, under new federal authority, would assist the Silver Bay Veterans Home in purchasing medication for the residents if space was provided to establish an in-house pharmacy. Continuation of the present situation will result in a lost opportunity to significantly hold down rising costs.

The facility has been encountering storage space issues causing daily operational difficulties. Safety issues have arisen attracting the attention of regulatory agencies such as the State Fire Marshal. Code violations have been cited. Current storage space is inadequate, which causes the home to lose significant volume discounts in purchasing, as well as jeopardize the safety of residents and staff due to congestion.

IMPACT ON AGENCY OPERATING BUDGETS (FACILITIES NOTE):

The project will increase the useful life of the home's vehicles, snow removal and lawn equipment, lower routine maintenance costs, allow for savings from bulk purchases, as well as minimize the fire hazard liability potential. Adding storage space to this facility will be a direct resident quality benefit because of the inconvenience of residents sharing programming space. There will be a marginal increase in building operations costs estimated to be $17 thousand annually.

OTHER CONSIDERATIONS:

The grounds of the home are adequate to accommodate the addition without impacting the integrity or character of the current structure.

PROJECT CONTACT PERSON, TITLE, ADDRESS, PHONE, FAX, AND E-MAIL:

Douglas Rickabaugh, Financial Management Director
122 Veterans Services Building
20 W. 12th St.
St. Paul, MN 55155
Phone: (612) 297-5253
Fax: (612) 296-6177
Email: dorickab@mvhmail.mvh.state.mn.us

Dollars in Thousands ($137,500 = $138)

TOTAL PROJECT COSTS All Years and All Funding Sources	Project Costs All Prior Years	Project Costs FY 2000-01	Project Costs FY 2002-03	Project Costs FY 2004-05	Project Costs All Years	Project Start (Month/Year)	Project Finish (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	$0	$0	$0	$0	$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign **SUBTOTAL**	5	0	0	0	5		
3. Design Fees							
Schematic	0	8	0	0	8	07/2000	09/2000
Design Development	0	10	0	0	10	09/2000	12/2000
Contract Documents	0	21	0	0	21	12/2000	05/2001
Construction Administration	0	13	0	0	13	06/2001	01/2002
SUBTOTAL	0	52	0	0	52		
4. Project Management						06/2001	01/2002
State Staff Project Management	0	1	0	0	1		
Construction Management	0	4	0	0	4		
SUBTOTAL	0	5	0	0	5		
5. Construction Costs						06/2001	01/2002
Site & Building Preparation	0	9	0	0	9		
Demolition/Decommissioning	0	0	0	0	0		
Construction	0	400	0	0	400		
Infrastructure/Roads/Utilities	0	0	0	0	0		
Hazardous Material Abatement	0	0	0	0	0		
Construction Contingency	0	60	0	0	60		
SUBTOTAL	0	469	0	0	469		
6. Art **SUBTOTAL**	0	0	0	0	0		
7. Occupancy							
Furniture, Fixtures and Equipment	0	10	0	0	10	12/2001	01/2002
Telecommunications (voice & data)	0	0	0	0	0		
Security Equipment	0	0	0	0	0		
Commissioning	0	0	0	0	0		
SUBTOTAL	0	10	0	0	10		
8. Inflation							
Midpoint of Construction		09/2001					
Inflation Multiplier		10.60%	0.00%	0.00%			
Inflation Cost **SUBTOTAL**		57	0	0	57		
9. Other **SUBTOTAL**	0	0	0	0	0		
GRAND TOTAL	$5	$593	$0	$0	$598		

Dollars in Thousands ($137,500 = $138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	593	0	0	593
Misc Special Revenue	0	0	0	0	0
State Funds Subtotal	0	593	0	0	593
Agency Operating Budget Funds	5	0	0	0	5
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	**5**	**593**	**0**	**0**	**598**

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	8,646	8,646	8,646	8,646	8,646
Other Program Related Expenses	2,260	2,260	2,260	2,260	2,260
Building Operating Expenses	266	283	300	300	300
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	11,172	11,189	11,206	11,206	11,206
Revenue Offsets	0	0	0	0	0
TOTAL	11,172	11,189	11,206	11,206	11,206
Change from Current FY 2000-01		17	34	34	34
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

PREVIOUS STATE CAPITAL APPROPRIATIONS FOR THIS PROJECT (Legal Citations) Laws of Minnesota (year), Chapter, Section, Subdivision	**Amount**
Laws of 1995, Chapter 207, Art. 1, Sec. 4	5

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	593	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
No	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
No	MS 16B.335 (2): Other Projects (Legislative Notification)
No	MS 16B.335 (3): Predesign Requirement (Administration Dept)
Yes	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Dollars in Thousands ($137,500 = $138)

Department of Administration Analysis:

12/7/99

The nature and scope of this request does not require a formal predesign submittal.

The construction cost for this request appear to low for this type of construction. The expected range is $125-140/sf. Please justify.

Department of Finance Analysis:

The Silver Bay Home lacks sufficient storage capacity and maintenance space, so this project would likely create a number of benefits for their operations.

STATEWIDE STRATEGIC SCORE		
Criteria	**Values**	**Points**
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	80
Safety/Code Concerns	0/35/70/105	70
Customer Service/Statewide Significance	0/35/70/105	35
Agency Priority	0/25/50/75/100	25
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	20
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	25
Total	700 Maximum	255

Governor's Recommendation:

The Governor recommends general obligation bonding of $593 thousand for this project.

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Saint Paul, Minnesota 55155

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