



## Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #239

### **Stanley Correctional Institution Health Services Unit Expansion (Corrections -- Adult Correctional Institutions)**

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#### **CURRENT LAW**

The Department of Corrections operates health services units at all 20 adult institutions and two of the correctional centers.

#### **GOVERNOR**

Enumerate the construction of a new health services unit (HSU) at Stanley Correctional Institution (SCI) in Chippewa County for an estimated cost of \$10,633,000 in general fund supported borrowing.

#### **DISCUSSION POINTS**

1. Stanley Correctional Institution (including the current health services unit) was built in 1998 by a private construction company (Venture Group, LLC), without prior authorization from the State of Wisconsin. Venture Group, LLC, did not collaborate with the State of Wisconsin for any design plans related to the institution. In the 2001-03 biennial budget, the state purchased SCI to operate as a state prison. In the same biennial budget, several statutory provisions were created to prohibit the state from acquiring or leasing any building, structure, or facility, or portion thereof, for occupancy by the Department of Corrections for the purpose of confining inmates, unless the facility was enumerated in the state building program or the building, structure, or facility was converted or constructed prior to January 1, 2001.

2. In the 2019-21 capital budget, the Department of Corrections requested replacement of the SCI HSU due to concerns about the current HSU's size, efficiency, and continuity of care for inmates. The current HSU is approximately 6,000 square feet (more than three times smaller than the proposed HSU). According to Corrections, "[the] amount of space is undersized for the population it serves." For example, Racine Correctional Institution (RCI) has a comparable inmate population to Stanley Correctional Institution (both have approximately 1,600 inmates). Funding for a new HSU at

RCI was enumerated in the 2015-17 biennial budget; the building is expected to open in April, 2020. The new HSU at RCI will be 19,282 square feet. Similarly, while Columbia Correctional Institution (CCI) serves a smaller inmate population (approximately 830 inmates), the new HSU at CCI is approximately 14,000 square feet. The CCI HSU opened in September, 2018. The current HSU at SCI is significantly smaller than both of the comparably-sized RCI and CCI HSUs.

3. The space limitations at the current SCI HSU have impacted continuity of care for inmates. For example, the current HSU does not have space for psychological services, which are currently located in a different building. Additionally, the layout makes compliance with the Health Insurance Portability and Accountability Act (HIPAA) and the Americans with Disabilities Act (ADA) difficult as wheelchairs do not fit through the exam room doors or into the restrooms and patients sometimes receive care services outside of exam rooms, in part due to the small size and number of exam rooms available (the rooms used as exam rooms were initially designed to be smaller, observation rooms). Further, the facility does not have any 24 hour negative pressure isolation rooms, so inmates with communicable diseases are sent to hospitals at least 25 miles away. In addition, since SCI does not have physical therapy (PT) rooms, the HSU hallway is used for PT appointments. Finally, a number of spaces are shared spaces, including a triage space that also serves as a laboratory, a waiting room that also serves as a diabetic injection site, and a room for both medication pass and property.

4. The Governor's capital budget recommended \$10,633,000 in general fund supported borrowing for a new HSU at SCI. This project and associated funding was also requested by the Department of Corrections. The Building Commission did not make a recommendation for this, or any other capital budget projects.

5. The proposed health services unit would provide space for health, dental, psychological, therapeutic, and laboratory services, as well as space for ancillary services associated with operation of a health services unit, including medical pass and programming space. The Department anticipates that the new 19,282 square foot facility would operate 24 hours per day, seven days per week. The new facility would be located between the food service building and the restrictive housing unit at SCI. The mental health services portion of the new HSU would be connected to the restrictive housing unit. The current HSU would be fully converted into the property, intake, and mail building (a part of the current HSU space is reserved for these purposes).

6. According to the Department of Corrections, a new, larger HSU would decrease trips to off-site hospitals. Less hospital trips result in reduced hospitalization costs and overtime costs associated with security staff transporting and providing security for inmates at the hospital. While the Department does not have a cost-savings estimate at this time, any potential cost-savings would be offset in a future operating and staffing budget request for the new HSU. The Department estimates that the annualized cost for operating and staffing a new HSU at SCI is \$2,680,900 and 29.35 positions. The Department estimates that the start-up cost for operating a new HSU at SCI is \$65,000.

7. The capital budget anticipates that construction would begin in March, 2021, with substantial completion of the facility in June, 2022. The project must be enumerated before any architecture and engineering selection can occur. If the Committee includes this item, the timeline would be subject to change based on when the budget bill is signed into law.

8. Funding for the project can be broken down into construction costs and "soft costs" (which include design fees, construction administration fees, commissioning and other testing fees, and project contingency fees (4%), among other items). The Department of Administration, Division of Facilities Development and Management (DFDM) indicates that construction costs account for approximately 77% of the total cost of any building project; the other 23% is for soft costs.

9. Corrections anticipates the total construction cost to amount to approximately \$8,213,000 (when rounded). This cost includes: (a) \$7,312,000 for renovation and remodeling costs; (b) \$50,000 for utilities (including water, sewer, gas, electric, and steamed/chilled water); (c) \$28,000 for site development; and (d) \$823,000 for location and site condition factors (including securing the site).

10. In addition, the Department of Corrections anticipates the total "soft costs" to amount to approximately \$2,420,000 (when rounded). This cost includes: (a) \$723,000 for architecture and engineering design; (b) \$22,000 for other design fees (including a survey/soil engineer, miscellaneous fees, an asbestos/environmental consultant, and commissioning fees); (c) \$821,000 for project contingency fees; (d) \$361,000 for the DFDM fee; and (e) \$493,000 as a movable equipment allowance.

11. Under the bill, a total cost of \$10,633,000 in general fund supported borrowing is recommended for this project. The construction costs account for approximately 77% of the total project costs and the soft costs are approximately 23% of the total project costs. This percentage breakdown is consistent with typical building project costs. [Alternative 1]

12. A comprehensive long range "Master Facilities Plan Study" is currently being compiled by the Mead & Hunt consulting firm and the BWBR architectural firm. These entities were hired in April, 2018, by DFDM to provide master planning services in support of the Correctional Facilities Planning Committee. The report is anticipated to be completed sometime in 2019. Stanley Correctional Institution will be evaluated in connection with this study. Therefore, the Committee may wish to wait for the final Master Plan to be published. In this case, the Committee could take no action. [Alternative 2]

**ALTERNATIVES**

1. Enumerate \$10,633,000 in general fund supported borrowing to construct a new health services unit at Stanley Correctional Institution.

ALT 1	Change to	
	Base	Bill
BR	\$10,633,000	\$10,633,000

2. Take no action.

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