

Introduction

A central role of State government is the provision of a criminal justice system. Law enforcement activities comprise eight percent of the total state budget and account for eleven percent of all General Fund/ Uniform School Fund expenditures.

This report focuses on FY 2002 facility requests from the Division of Youth Corrections, the Department of Corrections and the Courts. The Analyst recommends the funding of a new youth detention center in the Canyonlands Region and the construction of a new Courts facility in Cache County. As part of overall facility analysis, the Analyst also reports the following:

- ◆ *The Youth Corrections Project in Washington County may not be completed;*
- ◆ *The Department of Corrections appears to have adequate capacity to house inmates until FY 2003;*
- ◆ *County beds provide the State with a less expensive detention alternative, but care should be taken to ensure that counties do not exceed the State's demand;*
- ◆ *The Oxbow Jail purchase as presented does not offer value to the state.*

Corrections Facility Policy and Federal Funds

VOI/TIS

The VOI/TIS program provides States with funds to offset the cost of giving longer sentences to violent offenders. The funds may be used for building new beds or for contracting with the private sector to house non-violent offenders to free up beds for more difficult inmates. Since the funds are one-time in nature, the Analyst believes that the State should use this source to construct new beds for adult and youth offenders.

Last year the Department of Corrections requested funding for a Privatized Parole Transition Center to be built or purchased with federal funds from the Violent Offender Incarceration/ Truth In Sentencing (VOI/TIS) program. The Department was unable to find a suitable site for the transition center and will carry forward some \$2.7 million in Federal Funds this year to combine with an anticipated \$3.3 million in Fiscal Year 2002.

Youth Corrections

The Division of Youth Corrections operates as part of the Division of Human Services. Over the last ten years, the Division constructed new facilities around the State to house youth offenders. With the opening of a new facility in Richfield, the Blanding detention center in the Canyonlands Region remains as the last of the old style, multi-use facilities. The Division is still working with San Juan County to determine if the new facility location will be in Monticello or Blanding. The Analyst believes that construction of this facility represents the State's best use of Federal VOI/TIS money for Fiscal Year 2002.

Members of the Capital Facilities and Administrative Services Subcommittee expressed concern that youth correctional facilities may be overbuilt when gyms with hardwood floors are added to the design. While the Analyst understands the programmatic need for indoor exercise space, it is clear that programming does not require hardwood floors with thirty foot ceilings. This design adds construction costs and is expensive to heat and cool. According to DFCM, the cost savings from not constructing the high ceiling gym could fund an additional eight beds within a facility. To encourage savings on this project and future facilities the Analyst recommends the following intent language be applied to the funding of the Canyonlands Youth Detention Center:

It is the intent of the Legislature that the Division of Youth Corrections use \$5,100,000 in Federal VOI/TIS funds to construct a 32 beds detention center in the Canyonlands Region.

It is the intent of the Legislature that Youth Corrections provide programmatic exercise space at the lowest cost possible both for construction and ongoing operations when constructing new facilities.

*Washington
County Facility*

Last year the Legislature appropriated \$1.5 million to expand the Youth Corrections facility in Washington County. The debate regarding the expansion was somewhat contentious given that the Legislature earlier expressed concern with the small size and difficult location of the facility. DFCM created an elegant solution to the Washington County problem by designing a program that would add 26 beds, primarily through construction of a new basement and a minor alteration of the footprint.

In December, the Executive Branch began to rethink the plan to expand the Washington County facility. Although details are sketchy, it appears that Washington County courts would like to expand on the site as well. Since there is room for only one expansion, the decision seems to be that Youth Corrections will not finish its expansion but will return to the Legislature next year for funding of a new \$5 million youth facility. There are at least four problems with this scenario:

1. No documentation has been provided to the Legislature or its staff regarding the decision to halt the DYK project;
2. \$100,000 in Federal Funds have been spent on the DYK project which will likely have to be repaid if the project moves;
3. A new facility potentially jeopardizes the Canyonlands facility by re-prioritizing capital requests and increases costs by at least \$3.5 million;
4. The Division of Youth Corrections continues to request \$303,800 in ongoing operating funds for a project that will not be completed.

Two years ago the Legislature discovered that the Division of Youth Corrections requested operation and maintenance funds for an extra three months – a total of more than \$200,000 that apparently would have been used to cover operating deficits. To ensure public trust in long term planning, the Legislature should map out a definitive plan in regard to the construction and operation of facilities in Washington County and the Canyonlands Region.

Department of Corrections

Request for new beds should match inmate growth

The Analyst understands the importance of creating a workable system to incarcerate convicted criminals. The State currently owns 4,762 inmate beds and contracts with 20 counties for an additional 1,401 beds. Although this totals 6,163 beds, the estimated operating capacity at year-end assumes only 5,892 beds. This estimate takes into account a five- percent buffer for maintenance and inmate management and deducts the 288 beds in the unopened Central Utah Correctional Facility II.

Inmate counts on January 9, 2001 totaled 5,644 inmates – leaving an additional 581 beds for inmate management. The Department projected growth of 325 inmates per year at the August Interim meetings and now estimates the growth to be 324.¹ Assuming annual growth of 324 inmates per year, the Department should need room for another 459 inmates through the end of FY 2002. Given that the Department plans to contract for 200 more beds in February, it seems that there is enough capacity to make it through FY 2002 without adding facilities.²

Projected Bed Need	
State Owned Beds (95%)	4488
County Beds	1478
Total Beds	5966
Actual Inmates (1-09-01)	5644
Est. Growth @ 324 (FY 2001 & 2002)	459
Beds Deficit July 1, 2002 (FY 2003)	(137)
<i>Deficit Options</i>	
Chg. Operational Capacity to 97.5%	118
County Beds February, 2002	200
Add 50 Beds at Weber	50
CUCF II	288

In spite of this apparent capacity, the Department requests funding for an additional 1195 beds – 288 at CUCF II, 552 at Oxbow and another 355 for jail programs. Even if one assumes that some of these beds will not open until FY 2003, the 1195 beds are nearly twice the number needed for 650 to 700 new inmates.

¹ Utah Department of Corrections: January 31,2001. *2001 General Session Budget Presentation*. Page 6.

² Utah Department of Corrections: January 31,2001. *2001 General Session Budget Presentation*. Page 7.

Alternatives to State-Owned Prisons

County jail beds provide space for offenders that pose less of a risk to staff and the public – freeing up secure beds for more difficult inmates. County jails also provide inmates with a chance to serve their sentence closer to their family and to provide services to the community in which the crime took place.

As of January 24, the State housed just over 1,000 inmates in county facilities. Counties currently hold another 350 to 400 beds open for state use (a total of 1401 beds). One advantage in using county facilities is that the state needs less capital money for construction and debt service. DOC calculates inmate costs that reflect only the cost of operation – actual costs to the state include the millions spent to construct and pay for new facilities.

County Bed Contracts					
County	Contracts	Inmates	County	Contracts	Inmates
Beaver	160	147	Millard	71	63
Box Elder	50	39	San Juan	61	60
Cache	10	7	Sanpete	8	9
Carbon	15	10	Sevier	70	60
Daggett	70	62	Summitt	24	9
Davis	20	14	Tooele	1	1
Duchesne	142	128	Uintah	32	22
Garfield	87	89	Wasatch	48	42
Grand	16	14	Washington	205	181
Kane	11	10	Weber	300	106
Contracts	1401		Inmates		1073

County Beds as an alternative

Several Counties within the State built large facilities to house State inmates and charge rates nearly 1/3rd less than the cost of housing State inmates. At \$43.95 per day (plus about \$6 for transportation and medical costs), the county system offers a great alternative to the \$60 per day that the State must spend to house inmates in DOC facilities. Additionally, this saves the State capital money and debt service that is not included in the daily operational rate. The Department agrees that housing inmates in county facilities closer to their families provides enhanced programming as well:

“Gang activity, drug use and violent behavior is much, much less at the county jails than it is at (State prisons).” Wallace Shulsen, DOC Deputy Director of Inmate Placement. *Deseret News, January 14, 2001.*

*Legislative
Oversight
Recommended*

When the Department of Corrections uses county facilities to house inmates, it saves the State money in both operations and facility costs while enhancing rural economies. However, the Analyst is concerned that counties may continue to add beds beyond State capacity, over-building to the point that the State may feel it has a moral obligation to fund local governments even if supply outstrips demand. To strike a balance between value to the State and a risky surplus of beds, the Analyst offers the following intent language:

It is the intent of the Legislature that the Department of Corrections use county jail contracting in preference to the purchase or construction of State owned facilities. It is further the intent of the Legislature that the Department of Corrections present an annual report to the Legislature showing approved county contract expansions to ensure that supply does not exceed the State's need.

*CUCF II offers an
opportunity for
flexibility*

There appears to be capacity within existing facilities and contracts to take care of inmate growth for FY 2002. The Department may need additional funding to pay for jail contracts, but the Analyst does not believe that additional facilities are needed at this time. The Legislature may want to consider the option of reserving the CUCF II facility for another year as a hedge against future needs. Once the facility is opened the state loses some flexibility in assignment. The cost to maintain the facility is minimal and could be handled within the existing operating budget of the Gunnison facility.

*Five Year
Projection*

As the Department presented its plan to purchase the Oxbow Jail they provided the Legislature with a five-year projection estimating inmate growth at 325 inmates per year. The Department attached a facility list to the inmate projections to show how they planned to handle future growth:

DOC Facility Plan	
Growth (325 per year)	1625
CUCF II	288
County Jails	300
Oxbow	552
Outsourced	400
CUCF III	192
CUCF IV	192
Total	1924
Difference	299

*Low cost beds
are possible*

Two years ago the Department built a 300-bed minimum security dormitory in Draper for \$12,000 per bed. At the time, the Legislature commended the Department for finding ways to house inmates at dramatically lower costs. Rather than spending \$21 million to purchase the ten year old Oxbow jail, the Analyst believes that the Department should develop a plan similar to the one implemented two years ago that would find ways to construct facilities on the Draper site where there would be no land costs and special populations could be housed in “softer” settings, thus freeing up “hard” beds for more problematic inmates.

*Oxbow Jail
Purchase*

The Department of Corrections seeks funding for purchase of Salt Lake County’s Oxbow Jail. The Department plans to use it as a women’s prison, requesting \$21,151,000 to purchase the jail, two adjoining houses and to construct a UCI facility on site.

The Department first proposed the Oxbow purchase at the August interim meeting of the Law Enforcement and Criminal Justice Committee. At that time, the Department claimed land value for the 14.83 acre site topped \$9.7 million. This figure was repeated at the October 4, 2000 meeting of the State Building Board as evidence of the great value the State would receive through the Oxbow purchase. The Department presented documents that demonstrated a total cost of \$20.6 million, but the final request came in more than \$500,000 higher:

Oct. 4 Oxbow Presentation	
Facility Purchase	\$17,725,000
Remodel	2,378,375
Home Purchase	500,000
Total	\$20,603,375
Request	\$21,151,000
Difference	(\$547,625)

Source: Utah Department of Corrections, October 4, 2000

Statements of Land Value inconsistent

The Department twice issued documents to the public claiming that one of the key values in the Oxbow purchase was the “14.83 acres of land strategically located in the Salt Lake valley with an estimated value of over \$9.7 million.”³ In citing this figure on October 4, the Department noted “a recent appraisal of Oxbow by DFCM shows that the property (including the facility) is worth \$17,725,000.”⁴ This apparently refers to a January 13, 2000 appraisal for Salt Lake County that set the overall value at the amount cited, but also estimated the property to be worth \$1,775,887.⁵

Given that the Department request included the \$9.7 million in land costs as justification for the value of the purchase, the Analyst was pleased to learn that the actual value of the land was closer to \$1.5 million. Unfortunately, this discrepancy did not result in a reduction in the cost of the facility. If the Department’s move to purchase the facility was driven by a belief that the land was of greater value, it seems that the value of the facility is diminished if the property is not worth original estimates.

Oxbow Purchase History				
Date	16-Aug-00	4-Oct-00	5-Dec-00	30-Jan-01
Price	\$21,150,500	\$21,151,000	\$19,500,000	\$19,500,000
Land Value	\$9,700,000	\$9,690,000	\$1,500,000	n/a
Adjacent Property	\$1,500,000	\$1,500,000	\$1,500,000	\$500,000
Remodel	\$2,378,400	\$1,841,800	\$1,926,900	\$1,926,900
Facility value	\$7,572,100	\$8,119,200	\$14,573,100	\$17,073,100
Cost per Bed - 552	\$38,316	\$38,317	\$35,326	\$35,326
Cost per Bed - 442	\$47,852	\$47,853	\$44,118	\$44,118
Cost per Bed - 350	\$60,430	\$60,431	\$55,714	\$55,714

Facility does not provide value to the State

Regardless of the land price, the total purchase price for the facility is prohibitive. With 552 beds, the per-bed cost exceeds \$38,000. Costs per bed rise if the use is only for the current female population (about 350) or if the projected capacity only reaches 442. Furthermore, the entire Oxbow facility is based on a dormitory setting and the Department likely will need further remodeling money to create cells for more violent offenders who can not be housed in an open setting. The Analyst believes that a better policy for the state would be to pursue lower cost options by building facilities similar to the \$12,000 per bed dormitory built in 1999 on the current Draper prison property.

³ Utah Department of Corrections: August 16, 2000. *5 Year Offender Housing Plan*. Presentation to the Law Enforcement and Criminal Justice Interim Committee.

⁴ Utah Department of Corrections: October 4, 2000. *Budgetary Rationale for State Purchase of the OXBOW Jail*.

⁵ Lang, Smith & Associates, Inc: January 13, 2000. *Valuation Report Covering Oxbow Correctional Facility*. See page 47.

Court Facilities

Cache County Court

Last year the Legislature provided funding to purchase land and begin design of the Cache County Courts. The First District Court occupies leased space in a county building that are rapidly deteriorating and no longer can meet the needs of the Courts or Cache County. The county would like to replace the facility with a new building but can not proceed until the State moves out. **The Analyst recommends an appropriation of \$11,593,800 to complete the expansion of the Cache County First District Court Facility.** This recommendation is \$726,200 less than the DFCM estimate due to removal of the furnishings budget, art funding and “special services.”

Sandy Court – Land Purchase

The Courts would like to purchase 2.8 acres of property adjacent to Sandy City Hall. This would lead to construction of a state-owned facility on the property to absorb growth and consolidate other programs. The new space would also house the Sandy City Justice Court through a lease-purchase arrangement that would allow Sandy City to ultimately own it’s portion of the complex.

The Analyst recommends postponement of this decision for the following reasons:

1. The land is owned by Sandy City and will not be sold to another buyer;
2. Sandy City is interested in building a facility and allowing the State to lease Court space;
3. A full appraisal is not available at this time;
4. Courts will not need the additional space until 2005.

The Analyst recommends that the Courts use the interim to provide a more comprehensive plan that will include lease vs. purchase options, potential sources of revenue from other leases and the long-term benefit to the State of consolidating services at the Sandy site.