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INTRODUCED BY Simon House BILL NO. 468

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE DEPARTMENT OF CORRECTIONS AND HUMAN SERVICES TO DEVELOP A REQUEST FOR PROPOSALS TO SOLICIT PROPOSALS FROM MONTANA LOCAL GOVERNMENTAL UNITS FOR THE SITING OF A FACILITY FOR THE SEVERELY MENTALLY ILL; REQUIRING THE DEPARTMENT TO SOLICIT PROPOSALS ACCORDING TO THE REQUEST; SPECIFYING CERTAIN CRITERIA FOR THE SITE OF THE FACILITY; REQUIRING THE EXISTING MENTAL HEALTH PLANNING ADVISORY COUNCIL TO EVALUATE THE PROPOSALS; PROVIDING FOR THE EVALUATION OF THE PROPOSALS AND SELECTION OF A FACILITY SITE; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A TERMINATION DATE."

WHEREAS, the Department of Corrections and Human Services has created the Mental Health Planning Advisory Council by executive order for the purpose of compliance with Public Law 99-660, in order to administer block grant funds received from the United States; and

WHEREAS, the Department is proposing to construct a new mental health facility on the campus of the Montana State Hospital at Warm Springs and is now seeking funding from the 54th Legislature for the construction of the facility; and

WHEREAS, the location of the new facility at Warm Springs may not be the most advantageous site for the new facility, inasmuch as it should be located in a geographic area with the necessary services required by patients in the facility, families of the patients, and state workers; and

WHEREAS, the Legislature believes that the process of selection of a site for the future facility should be a process open to proposals from many communities and that each community should be able to demonstrate why the location of the facility in that community will best serve the interests of the patients, their families, and state workers; and

WHEREAS, the use of the existing Mental Health Planning Advisory Council to determine and recommend to the Department a suitable location for the Department's new facility will use the membership, skills, and organization of the existing Mental Health Planning Advisory Council without the need for creation of a new committee to make a recommendation to the Department.

1 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

2
3 NEW SECTION. **Section 1. Short title.** [Sections 1 through 7] may be cited as the "Montana
4 Mental Health Facility Siting Act".

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6 NEW SECTION. **Section 2. Definitions.** As used in [sections 1 through 7], unless the context
7 clearly indicates otherwise, the following definitions apply:

8 (1) "Advisory council" or "council" means the mental health planning advisory council created by
9 executive order of the director of the department, when acting as the site selection advisory council for
10 selecting a site for the facility.

11 (2) "Department" means the department of corrections and human services provided for in
12 2-15-2301.

13 (3) "Facility" means a mental health facility for the severely mentally ill.

14 (4) "Local governmental unit" means a county, city, town, or consolidated government.

15 (5) "Proposal" means a proposal for the location of the facility, submitted by local governmental
16 units to the department in response to the request for proposals required by [section 3].

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18 NEW SECTION. **Section 3. Request for proposals.** (1) If funding for a facility is passed and
19 approved by the 54th legislature, the department shall request that proposals be submitted to the
20 department from local governmental units for the siting and community support of a facility. The request
21 must:

22 (a) be made in the form of a request for proposals developed by the department;

23 (b) specify October 1, 1995, as the date on which all proposals are to be received by the
24 department; and

25 (c) contain the information required under subsection (2) and other information determined
26 necessary by the department.

27 (2) The request for proposal must require that information in the following categories be submitted
28 by a local governmental unit as part of any proposal:

29 (a) construction site information, including:

30 (i) the acreage of the site;

- 1 (ii) the name and address of the owner or owners and the form of the legal interest in which the
2 site is held;
- 3 (iii) how the site may be acquired by the state;
- 4 (iv) the configuration and topography of the site;
- 5 (v) access to paved public streets and reliable utilities, such as water supply, sewage system,
6 natural gas, electricity, telephone, and refuse disposal;
- 7 (vi) compatibility with current local zoning ordinances, as well as any ordinance modifications
8 necessary and the procedure for making those modifications;
- 9 (vii) flood hazard information;
- 10 (viii) subsurface soils analyses and water table location;
- 11 (ix) climate; and
- 12 (x) location plan drawings, areawide master plan drawings, and site plan drawings;
- 13 (b) service availability information, including:
- 14 (i) proximity, stated in the shortest roadway miles on all-weather roads, to 24-hour emergency
15 medical services;
- 16 (ii) proximity, stated in the shortest roadway miles on all-weather roads, to 24-hour fire protection
17 services;
- 18 (iii) proximity, stated in the shortest roadway miles on all-weather roads, to a certified local law
19 enforcement agency and the level of the agency's capability to respond to emergencies;
- 20 (iv) proximity to, stated in the shortest roadway miles on all-weather roads, and availability of
21 interstate transportation services;
- 22 (v) proximity to counties committing patients;
- 23 (vi) the adequacy of the court system and legal services;
- 24 (vii) availability of motel or hotel accommodations;
- 25 (viii) an adequate number of vendors of food, motor fuel, and other supplies;
- 26 (ix) an adequate skilled workforce for employment in the facility;
- 27 (x) availability of affordable housing for the facility staff; and
- 28 (xi) established organizations whose primary missions are specific to the needs of the mentally ill;
- 29 (c) program information, including:
- 30 (i) proximity to medical services at a referral hospital with 24-hour emergency room service,

- 1 including the presence of an attending physician;
- 2 (ii) proximity to a hospital offering medical specialties needed by mentally ill patients;
- 3 (iii) proximity to dental services;
- 4 (iv) proximity to chemical dependency treatment;
- 5 (v) proximity to mental health services, including psychiatric care, clinical services, and inpatient
- 6 and outpatient treatment;
- 7 (vi) proximity to vocational education or its programmatic equivalent and a public or private
- 8 postsecondary educational institution; and
- 9 (vii) proximity to licensed foster care and all levels of child care, including registered day care,
- 10 licensed group care, and out-of-home care; and
- 11 (d) additional criteria, including:
- 12 (i) the strength of community volunteer resources;
- 13 (ii) the ability of the community's postsecondary educational programs to provide appropriate interns
- 14 for the facility;
- 15 (iii) the receptiveness of the public school district or districts to enrolling the children of facility
- 16 patients; and
- 17 (iv) the ethnic and cultural diversity of the community.
- 18

19 **NEW SECTION. Section 4. Site selection advisory council -- department to adopt structure by rule.**

20 (1) The department shall adopt by rule the structure of the mental health planning advisory council as the

21 council existed on [the effective date of sections 1 through 7]. The council shall serve as the site selection

22 advisory council for the purpose of advising the department as to the future location of the facility.

23 (2) Except as otherwise provided by [sections 1 through 7], the advisory council must be

24 compensated, reimbursed, and otherwise governed by the provisions of 2-15-122 regarding advisory

25 councils.

26 (3) The council shall meet as often as necessary to perform the duties assigned by [sections 1

27 through 7]. The council shall consider, evaluate, and select the location for the facility according to the

28 procedure and criteria in [sections 1 through 7].

29 (4) The council ceases to act as the site selection advisory council on the date of the

30 announcement of the winning proposal by the director of the department in accordance with [section 7(3)].

1 **NEW SECTION. Section 5. Site selection procedure and criteria.** (1) The advisory council may
2 not consider a proposal unless the proposal:

3 (a) is submitted within the time required by the request for proposal; and

4 (b) contains the construction site information, service availability information, program information,
5 and additional criteria required by [section 3(2)].

6 (2) The council shall determine a maximum numeric value for each of the criteria required in
7 [section 3]. Criteria that the council determines to be of more relative importance must be awarded a
8 greater maximum value. The council shall rate each proposal considered by it by using a weighted scale
9 process that assigns a numeric score for each criteria and then totals the score for each proposal. The score
10 for each criteria and proposal must be determined by the extent to which each criteria is satisfied, based
11 upon a documented demonstration of:

12 (a) the proximity, availability, and number of resources satisfying the criteria;

13 (b) the strength and quality of the resources satisfying the criteria; and

14 (c) the strength of the community's willingness and ability to provide resources satisfying the
15 criteria.

16
17 **NEW SECTION. Section 6. Site visitation and hearings required.** The advisory council shall
18 determine the four proposals with the highest numeric scores. The council shall eliminate the other
19 proposals from further consideration. As soon as possible after elimination of the other sites, the council
20 shall conduct onsite reviews of the four remaining candidate sites by conducting both an onsite tour of each
21 of the four candidate sites and holding a public hearing on the subject of the facility in the community
22 where each proposed site is located. The purpose of the tour and hearing is to receive information
23 concerning the extent to which each candidate site satisfies the criteria in [section 3] and [section 7(2)].
24 The hearings must be conducted under procedures determined by the council, and the council shall give
25 notice of each hearing by advertisement in a newspaper of general circulation in the county of each
26 candidate site.

27
28 **NEW SECTION. Section 7. Site selection.** (1) After completing the onsite reviews required by
29 [section 6], the advisory council shall again score each of the four candidate sites by applying the criteria
30 and scoring method provided in [section 5].

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0468, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

A bill requiring the Department of Corrections and Human Services to develop a request for proposals to solicit proposals from Montana local governmental units for the siting of a facility for the severely mentally ill.

ASSUMPTIONS:

1. The Mental Health Planning Advisory Council will evaluate proposals submitted from local governmental units for the siting of a facility for the severely mentally ill. This council will be responsible for the site selection procedure and criteria.
2. Request for proposals will be developed by the Department of Corrections and Human Services (DCHS), and will be due back to DCHS on October 1, 1995.
3. This bill is effective on passage and approval.
4. DCHS will have costs related to this bill during FY95. (\$3,055 for a Helena one-day meeting.)
5. Funding for this facility will be limited to the funding level approved by the 54th Legislature.
6. The Mental Health Planning Advisory Council will hold one one-day meeting, and seven two-day meetings, for planning, evaluation of siting proposals, and the selection of a facility site. The one-day meeting will be in FY95.
7. One half-time support staff will be contracted to support the Council. This contracted position will be for the period May 1, through December 31, 1996, at a cost of \$6,776. (686 hours at \$9.877 per hour)
8. If a site other than Warm Springs were to be selected, there would be some long-range costs to the state.

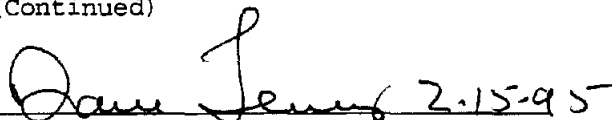
FISCAL IMPACT:


DCHS:	<u>FY96</u>	<u>FY97</u>
<u>Expenditures:</u>	<u>Difference</u>	<u>Difference</u>
Operating Expenses	35,640	0
 <u>Funding:</u>		
General Fund	35,640	0

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

The Administration's proposal for the redesign at Warm Springs anticipates continued use of 72,000 square feet of existing facilities. If a new site is selected, there would be additional construction costs for about 72,000 square feet, and a reduction in rehab/redesign costs at Warm Springs. Based upon estimates from the architects associated with the Warm Springs redesign project, one square foot of new construction costs \$135. Costs of redesign of existing facilities and infrastructure at Warm Springs are estimated at \$3,199,840. An additional cost of construction at a new site would be \$6,520,160. (72,000 x \$135 = 9,720,000 - 3,199,840 = \$6,520,160)

(Continued)


 DAVE LEWIS, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning


 BRUCE SIMON, PRIMARY SPONSOR DATE

Fiscal Note for HB0468, as introduced

HB 468

Additionally, passage of this bill will introduce a delay in the project of a minimum of seven months. Department of Administration, Architecture & Engineering Division estimates a 5% construction inflation factor. The Warm Springs Redesign Project proposed by the Executive Budget is a \$21.0 million dollar project. A seven month delay in a project this size would cost an additional \$612,500. ($21,000,000 \times 5\%$ for 7 months = \$612,500) If a site other than Warm Springs were to be selected, additional design work could cost \$380,000.

If a new site is selected other than Warm Springs, the state will have costs associated with the maintenance of the Warm Springs facility or the costs associated with the demolition of the facility. DCHS is unable to estimate these costs.

If a site other than Warm Springs is selected, DCHS anticipates there will be costs for reduction in force and staff relocation. These costs are estimated on the following assumptions:

1. 450 employees are impacted.
2. Options such as those offered to Galen employees are offered. (3 years PERS purchase, 6 months health insurance, 2 weeks severance pay)
3. \$1,500 in relocation expenses is offered to employees who transfer to the new site.
4. The same percentage of staff (43%) relocate as was the case with the Women's Correctional Center relocation.
5. Staff who do not relocate will select the termination options in the same proportions as the Galen Staff.
6. Average salaries of Montana State Hospital employees is \$17,572 per year.

193 employees will transfer to a new site @ \$1,500 = \$289,500

30 employees will use the retirement option @ \$3,532 = \$105,930

145 employees will choose 6 months health insurance option @ \$1,380 = \$200,100

82 employees will choose 2 week severance pay @ \$675 = \$55,350

Total costs for reduction in force and staff relocation would be \$650,880.

TECHNICAL NOTES:

This bill does not clarify whether the council is required to select a site at which a facility can be constructed within the amount authorized by the Long-Range Building Committee.

APPROVED BY COM ON
HUMAN SERVICES & AGING

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House BILL NO. 468

INTRODUCED BY

Simon

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- 16 patients; and
- 17 (iv) the ethnic and cultural diversity of the community.
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20 (1) The department shall adopt by rule the structure of the mental health planning advisory council as the

21 council existed on [the effective date of sections 1 through 7]. The council shall serve as the site selection

22 advisory council for the purpose of advising the department as to the future location of the facility.

23 (2) Except as otherwise provided by [sections 1 through 7], the advisory council must be

24 compensated, reimbursed, and otherwise governed by the provisions of 2-15-122 regarding advisory

25 councils.

26 (3) The council shall meet as often as necessary to perform the duties assigned by [sections 1

27 through 7]. The council shall consider, evaluate, and select the location for the facility according to the

28 procedure and criteria in [sections 1 through 7].

29 (4) The council ceases to act as the site selection advisory council on the date of the

30 announcement of the winning proposal by the director of the department in accordance with [section 7(3)].

1 **NEW SECTION. Section 5. Site selection procedure and criteria.** (1) The advisory council may
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3 (a) is submitted within the time required by the request for proposal; and

4 (b) contains the construction site information, service availability information, program information,
5 and additional criteria required by [section 3(2)].

6 (2) The council shall determine a maximum numeric value for each of the criteria required in
7 [section 3]. Criteria that the council determines to be of more relative importance must be awarded a
8 greater maximum value. The council shall rate each proposal considered by it by using a weighted scale
9 process that assigns a numeric score for each criteria and then totals the score for each proposal. The score
10 for each criteria and proposal must be determined by the extent to which each criteria is satisfied, based
11 upon a documented demonstration of:

12 (a) the proximity, availability, and number of resources satisfying the criteria;

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14 (c) the strength of the community's willingness and ability to provide resources satisfying the
15 criteria.

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18 determine the four proposals with the highest numeric scores. The council shall eliminate the other
19 proposals from further consideration. As soon as possible after elimination of the other sites, the council
20 shall conduct onsite reviews of the four remaining candidate sites by conducting both an onsite tour of each
21 of the four candidate sites and holding a public hearing on the subject of the facility in the community
22 where each proposed site is located. The purpose of the tour and hearing is to receive information
23 concerning the extent to which each candidate site satisfies the criteria in [section 3] and [section 7(2)].
24 The hearings must be conducted under procedures determined by the council, and the council shall give
25 notice of each hearing by advertisement in a newspaper of general circulation in the county of each
26 candidate site.

27
28 **NEW SECTION. Section 7. Site selection.** (1) After completing the onsite reviews required by
29 [section 6], the advisory council shall again score each of the four candidate sites by applying the criteria
30 and scoring method provided in [section 5].

1 (2) If two or more proposals receive the same total score, the council shall determine the leading
2 proposal by assigning maximum point values for and scoring those proposals on the following criteria for
3 the community in which the facility would be located:

4 (a) strength of community volunteer resources;

5 (b) ability of the community's postsecondary educational programs to provide appropriate interns
6 for the facility;

7 (c) the receptiveness of the public school district or districts to enrolling the children of facility
8 patients and staff in their schools; and

9 (d) the ethnic and cultural diversity of the community.

10 (3) The facility must be located at the site proposed by the local governmental unit whose proposal
11 receives the highest numeric score using the procedure provided in this section. Upon selection of the
12 winning proposal by the council, the council shall inform the director of the department of its selection.
13 The director shall review the selection process to ensure that the council has not made an error in process
14 or in fact. If the director determines that an error has been made, the director shall remand the
15 recommendation to the council for further evaluation. The director shall make a public announcement of
16 the council's recommendation upon determining that no errors have been made. The director may not
17 choose any site other than that recommended by the council. The council shall submit its selection to the
18 director no later than January 1, 1996.

19
20 NEW SECTION. **Section 8. Effective date.** [This act] is effective on passage and approval.

21
22 NEW SECTION. **Section 9. Termination.** [This act] terminates January 1, 1996.

23 -END-