

ARKANSAS DEPARTMENT OF HUMAN SERVICES

STATE INSTITUTIONAL SYSTEM BOARD

Division of Youth Services
Arkansas Juvenile Assessment and Treatment Center
1501 Woody Drive
Alexander, AR 72002

Thursday, October 13, 2011

Members Present: Carlton Jones, Chairman
Stephen Foti, Secretary
Dianne Thomas
Micheal Burden
Doug Kidd

DHS Staff Present: Kim Lockett, Asst Director, Division of Youth Services
Doyle Young, Program Administrator, Division of Youth Services
Breck Hopkins, Office of Chief Counsel
Shane Cater, Office of Chief Counsel
John Althoff, Deputy Director, Division of Behavioral Health Services
Glenn Sago, Director of Hospital Operations, Arkansas State Hospital
Jay Hill, Assistant Nursing Home Administrator, Arkansas Health Center
Liz Ganahl, Division of Youth Services

Others Present: Tony Tanner, G4S-AJATC

Mr. Carlton Jones called the meeting to order at 1:15 p.m.

Mr. Jones thanked everyone for coming to the meeting.

APPROVAL OF MINUTES FROM April 14, 2011 MEETING

Mr. Micheal Burden made a motion for the minutes of July 14, 2011 meeting to be approved. Ms. Dianne Thomas seconded the motion. Motion was passed.

Mr. Micheal Burden made a motion for the corrected minutes of the conference call on August 11, 2011 to be approved. Ms. Dianne Thomas seconded the motion. Motion was passed.

DIVISION OF BEHAVIORAL HEALTH SERVICES REPORT

The Division of Behavioral Health Services Quarterly report had been previously distributed and is attached to the meeting minutes.

ARKANSAS STATE HOSPITAL

Mr. Glenn Sago presented the report for the Arkansas State Hospital (ASH).

Mr. Sago reported on the ASH American Recovery and Reinvestment Act (ARRA) Projects:

- **Replace HVAC System for Forensic Units 5 and 6:**
The work on Unit 6, Upper and Lower is complete. The patients on Unit 5 Upper have been moved to the finished Unit 6 Upper. The Unit 5 Upper was completed on June 10, 2011. Patients were moved from Unit 5 Lower to Unit 5 Upper on June 21, 2011. Unit 5 Lower was completed on September 1, 2011. All patients have moved back to their original units.

It was determined that during the installation of the HVAC equipment on Unit 6, the roof was in crisis condition, with large cracks in three different places. Roberts McNutt started working on the new Unit 6 roof on September 1, 2011 and is scheduled to be completed by October 21, 2011. At that time we will move all patients on Unit 3 Upper back over to Unit 6 Upper. We are putting scuppers on the breezeway from the Unit 6 building to the Administration part of the Forensics unit and it should be completed today.

- **Seal and Tuck Point Forensic Units 5 and 6:** This project was completed on October 19, 2010.
- **Seal and Tuck Point on the ASH Court Building:** This project was completed on February 15, 2011.

Court Building Ramp: The estimate for a new ramp for the Court building came in at \$37,000. ABA has determined this project cannot be included in the ARRA monies. The current ramp has been closed down. Through the efforts of the ASH staff, the whole ramp and stairs were capped with a composite wood cap for \$4,950 and we estimate it will last for 20 years. Mr. Jones asked what would happen if it got bumped or hit. Mr. Sago stated the concrete ramp is still under the wood cap and the handrails are into the concrete, so it would have to be hit really hard for the whole concrete ramp to crumble.

Materials Management Department Roof:

The roof on the Materials Management Department is in terrible condition. Douglas Brown, P.E. has estimated it will cost \$300,000 to replace the 30,000 square foot roof. He says within five years the roof could become unsafe in some areas. Materials Management has to keep equipment and supplies covered with plastic tarps. This roof needs to be addressed next.

New Hospital Drainage Problems:

When it rains the water does not drain in front of the new hospital. The water sits which kills the grass and plants. The east side of the hospital has the same problem but to a greater extent. We have received a low bid for the project of \$18,340. The problem will be addressed before winter.

Mr. Burden stated the drainage problem has been there ever since the building was built. Mr. Sago replied it has been worked on but they couldn't fix the problem. Mr. Sago reported the building is low on the front northwest corner and in the mid building on the east side. Mr. Sago said there are sewer pipes and clean outs in the back of the building so you can't use a backhoe to strip it all out. Mr. Burden questioned if the contractors who built the building tried to fix it. Mr. Sago replied yes but they had no success and now they will not even answer the phone. Mr. Sago said UAMS was the builder and they sent their engineers over but still couldn't fix it, they recommended putting some gravel over it.

ARKANSAS HEALTH CENTER

Mr. Jay Hill gave the report for the Arkansas Health Center.

Mr. Hill reported on the AHC American Recovery and Reinvestment Act (ARRA) Projects.

Underground Utilities:

Mr. Hill reported the work is being done by B.R. McGinty Mechanical Contractors at a projected cost of \$1,200,257.70. The project is 95% complete with the primary focus now on pressurizing the water lines, fixing roadways and cleaning up dig sites.

Upgrade Dietary Equipment in Central Kitchen:

The upgrade of the dietary equipment in the central kitchen is being done by Ross Sparks Construction at \$822,936.00. The project is 95% complete. All kitchen operations have returned to the main cooking area. There are still a few outstanding items with different equipment components.

HVAC and Floor Repairs to Building 80:

The flooring and the HVAC is 100% complete in Building 80.

Building 7 Improvements:

New paint and carpet have been installed in the Administration and Risk Management areas. Risk Management has relocated to the old Administration area. The second floor will be completed by the end of October, 2011. AHC received approval from the SIS Board for these improvements at the last meeting as it would be over \$20,000.

Fishing Pier:

The fishing pier is complete except for the tin roof on the covered area which will be completed by the end of October, 2011. Residents are enjoying it for fishing and a wedding has been held on it.

Road Re-pavement:

A request has been submitted to the highway department to repave the AHC institutional roadways which have been recently abused by the utility improvements.

Building 80 Water Problems:

Mr. Hill stated Building 80 consists of 6 units, 3 upper and 3 lower. The middle unit on the lower level is Maple Court and Willow Court is on the west end of the building. The floors in both Courts are showing signs of deterioration due to water seeping up from under the building. The water comes up through the glue that was used on the tile. Mr. Hill reported the excessive moisture problem has been determined to be an underground stream not sewage water. The recommended solution for the water was an extensive 1,800 foot French drain system to be installed around the building. The French drain system would pull the ground water out from under and away from the building. The estimated cost was \$120,000. The cost has now risen to \$186,000 due to abatement of some asbestos board which skirts the entire perimeter of the slab of Building 80. Mr. Hill said this water issue has been there for 30 years and the magnitude of it is undetermined at this time but at the same time do we want to spend that much money if it is not going to work.

Mr. Hill reported they asked Lockeby & Associates, Inc., to come in and take a look at it.

Mr. Hill passed out the handout from Lockeby & Associates, Inc. and asked everyone to review it. A copy is attached to the minutes for the record. Mr. Hill stated this was the report the SIS Board members had asked for at the previous meeting. Mr. Hill reported the second opinion on the French drain has been received. A meeting was scheduled on October 5, 2011 to discuss the details of what is needed to move forward. The recommendations of the first architect are supported with modifications as seen on page 3. Mr. Hill said both groups concurred that a soil investigation needs to be done to determine what type of soil is under the building, if it is clay base, the French drain might not work. Mr. Hill stated the next thing to do would be to put a camera under and around the building to find the source of the water. Mr. Hill reported there were several recommendations for the flooring, everything from replacing the tile, putting down a sealant underneath it to keep the water from coming up or having just a stained concrete floor but of course the water would still be there.

Mr. Jones inquired if a type of waterproof barrier was used when the floor was laid. Mr. Hill replied a water barrier was used but it did not do the job. This barrier was rated at a level 5 but there are places where the water is level 13, 14 or 15. Mr. Jones asked how you would know it would be sufficient this time if you decided to put another barrier. Mr. Hill stated the barrier they are recommending would contain the water levels under the concrete. Mr. Hill said we really need to find the source of the water and they are recommending we dig down 20 feet and trench out until we could locate the source. After much discussion, Mr. Hill said when he gets

an estimate of the cost to investigate the source of the water and the repair of the floor; he would make a presentation to the SIS Board for approval.

DIVISION OF YOUTH SERVICES REPORT

The Division of Youth Services (DYS) quarterly report had been previously distributed to the Board and is attached to the minutes.

Mr. Doyle Young introduced Mr. Tony Tanner of G4S, and Mr. Kim Lockett, DYS Assistant Director of Residential Services. Mr. Young thanked Mr. Tanner for providing a delicious lunch for the SIS Board meeting. Mr. Young stated there would be a tour of the facility after the meeting.

Mr. Young presented the DYS report.

American Recovery and Reinvestment Act (ARRA) Projects Report:

Alexander Juvenile Assessment and Treatment Center:

Mr. Young reported the construction of the new Education Facility and Dining Hall building is complete and the building is being utilized. With change orders the contract amount is \$4,542,108.00. Work is underway for paving the road to the Wings building, the completion of a truck turn-around at the loading dock, and the installation of a sally port gate at the Administration building. This work should be completed by the end of October.

Colt Juvenile Treatment Center and Harrisburg Juvenile Treatment Center:

The new Education building at Colt and Harrisburg are complete and are being utilized. Project close out is pending final issues with the electronic surveillance system installation. The cost including the change orders is now \$1,518,443.75, which is under budget.

Dermott Juvenile Treatment Center:

The Dermott Educational building is complete and being used. The cost is \$765,778.70 including change orders and is also under budget. Project close out is pending paperwork associated with the installation of the electronic surveillance system.

Lewisville Juvenile Treatment Center:

The new dormitory buildings and classroom remodel is complete and in use. The cost is \$1,378,754.00 including change orders. A few details on the electronic surveillance system are all that remains to complete this project.

Mansfield:

The replacement of the Mansfield facility is DYS's largest project. The project is 95% complete. The total cost of the project with change orders has increased to \$7,466,994.00. Installation of the electronic surveillance system is pending. Project completion was delayed due to problems

with ordering and installation of the pump necessary to maintain proper water pressure for occupancy of the buildings. The pump was finally installed and began pumping on September 28th but a controller device malfunctioned. The part is now on order. Initial sewer treatment plant repairs have been completed and the engineer has inspected the work. His report is pending. This will provide basis for any further work. The Arkansas Department of Environmental Quality (ADEQ) will review and provide a final inspection at a later date. Other issues to complete are some minor repairs in the Director's office and the painting of the interior walls in the Long Building.

The sewer treatment plant will have to be re-licensed due to the renovation. A new chlorinator will have to be added to the treatment plant. After the final clean up and testing, ADEQ will have to re-license the plant. The project should be complete by the end of November 2011.

ARRA Equipment and Repair Purchases:

Mr. Young reviewed the ARRA equipment and repair purchases report for the facilities. Mr. Young reported seven items were purchased for the renovation of the Cottage 2 building at AJATC. The girls living in the WINGS building are going to be moved to the Cottage 2 building. Mr. Young said the WINGS building was originally designed for high security juveniles and we rarely get those juveniles anymore. Mr. Young reported the renovations were almost completed and were down to the floor coverings. Ms. Thomas questioned what the WINGS building would be used for. Mr. Young stated it was under discussion. Mr. Young stated it was not that old of a building and it has possible usage.

DYS Facility Reports:

Arkansas Juvenile Treatment and Assessment Center:

Mr. Young referred to the facility report and stated he would not go through each one. Mr. Young reported a lot of money has been spent on the AJATC facility. Some of the items were maintenance items that needed to be done; some were related to the road, general maintenance to the sprinkler system, new HVAC systems, roof replacements, tree removals, and light fixture replacements for the gym for total of \$51,135.85

The Education section has moved into their new facilities and out of the Speaker building. The Speaker building had to be repaired, cleaned up and painted in order to move some of the DYS Administrative staff into it.

Colt Juvenile Treatment Center:

The replacement of the aging windows is nearing completion. The 45 windows are being replaced with high efficient vinyl windows for a cost of \$8,393.95.

New bookcases have been ordered to be used to develop proper library resources costing \$4,060.00. The expected delivery is mid October, 2011.

The repair of the air intake motor on the kitchen vent hood has been completed. A review indicated there was not enough outside air being supplied for the vent hood resulting in outside air coming in every opening in the building costing \$1,650.00.

The replacement of the ice machine and filter system is complete. The ice bin was rusted as cited by the Arkansas Department of Health. The cost was \$3,180.00.

The installation of the outside water fountain requires a concrete slab surrounding the fountain, drainage sump, and plumbing. The slab and sump are complete. The installation of the fountain plumbing hook is pending. The total cost is \$4,695.84.

Dermott Juvenile Treatment Center:

The sewer lift station pump has been rebuilt and reinstalled. The lift station pump failed and required rebuilding for a cost of \$4,632.50.

The annual termite treatment has been completed for a cost of \$3,052.00.

Mr. Young stated there was one more addition that has come up to report. Ten years ago DYS bought some tough prefabricated detention cells. The plumbing inside of the cells is deteriorating and we have to replace the individual plumbing chases. Mr. Young explained all the plumbing fixtures that you usually see on the walls of a normal plumbing set up is in the walls. This will be on next month's report.

Harrisburg Juvenile Treatment Center:

New bright colored picnic tables and benches have been installed in the Recreation area. The total cost was \$4,505.97.

The installation of the outside water fountain requires a concrete slab surrounding the fountain, drainage sump, and plumbing. The slab and sump are complete. The installation of the fountain plumbing hook is pending. The total cost is \$4,695.84.

New bookcases have been ordered to be used to develop proper library resources costing \$4,060.00. The expected delivery is mid October, 2011.

Lewisville Juvenile Treatment Center:

The installation of two data drops needed in the new teacher workroom has been completed for a cost of \$598.38.

Mr. Micheal Burden made a motion to approve both the DBHS and the DYS report. Mr. Stephen Foti seconded the motion. Motion passed

NEW BUSINESS:

The Conversion of the AJATC Education Building:

Mr. Young reported the Education building is the one up by the flag pole which you walked past when you came in. This building was originally designed in a T-shape as an Intake building. It was never used as an Intake building because at the time there were education concerns and it was turned into an education facility. We would like to return it to its original use as an Intake building. There will be two boy's sections in the front and a girl's section in the back and completely separated. DYS is asking for the Board's approval to return the Education building back to the Intake building, provided the funding is available, which would cost around \$100,000.00. We need to revamp the bathrooms, paint the interior walls, perform a general fix up and buy some new equipment to go in there. Our intake offices that are now over in the Infirmary building will be moved to the newly renovated Intake building. The facility will be set up to house no more than 30 juveniles at a time, 10 females and 20 males. This will get the Intake staff down to where our Intake activities occur, including initial testing and evaluations.

Mr. Foti questioned the type of equipment that would be bought. Mr. Young replied beds for one thing but we are hoping to get some of the beds from the old Mansfield facility. We also have some beds here that we are not using but we don't know if it will be enough. The Intake staff and personnel will bring their office furniture with them. We may have to buy some cabinet/locker type furniture, couches, televisions. Mr. Jones inquired about the total number of juveniles, after adding 30 more juveniles, the facility will hold. Mr. Young replied about 130 juveniles.

Mr. Micheal Burden made a motion to approve the revamping of the AJATC Education building to an Intake building, providing funding is available. Ms. Dianne Thomas seconded the motion. Motion passed.

OLD BUSINESS:

CMHC Roof & HVAC:

Douglas Brown, P.E. of Consulting Engineers, Inc. and Rex Morris, ASH's on call architect evaluated the Little Rock Community Mental Health Center (LRCMHC) roof and HVAC system. The estimate to replace the roof is \$276,115. The estimate to replace the HVAC system is \$1,530,295. Neither estimate includes architectural or engineering fees. The total estimate for both projects is \$1,848,635. LRCMHC has copies of the estimates. DBHS explored all known funding sources, but as of the meeting date identified no available funds.

Mr. Jones reported that on September 14, 2011, he met with Mr. Tom Grunden and his legal counsel, Ms. Debby Nye. Mr. Breck Hopkins, Mr. Stephen Foti, and Mr. John Althoff also attended. Mr. Jones felt they had a good discussion about the major work that needs to be done concerning the roof and the HVAC system to the Little Rock Community Mental Health Center's building (LRCMHC).

Mr. Jones stated it was his understanding going forward that LRCMHC would look at the possibility of obtaining funding from various financial institutions, because unlike the state, LRCMHC can borrow money from commercial lenders. Mr. Jones stated the alternatives are: 1) reduce the LRCMHC rent and transfer maintenance and repair responsibility to LRCMHC; or 2)

negotiate a higher rent with the State of Arkansas maintaining the premises. Mr. Jones reported that Mr. Hopkins received a proposal from LRCMHC the afternoon before the meeting, and asked Mr. Hopkins to briefly summarize the proposal.

Mr. Hopkins stated that the \$7.00 per foot rent proposal (approved by the Board approved during the August telephone conference) would amortize the repair costs over the expected life span of the repairs, but provide no upfront money to make the repairs now. LRCMHC suggested a short-term lease under the terms of the previous lease. It was the consensus of the Board that there is no need for an interim lease if negotiations move forward at a reasonable pace with the expectation of a permanent solution. LRCMHC's proposes to: 1) obtain architectural and engineering studies on the facility to determine what needs to be done, how to do it and whether the building is structurally sound enough to put a lot of money into it; 2) complete the studies during November and December, 2011 (however, the proposal did not suggest who would pay for the engineers and architects); 3) meet with its legislative contingent during the upcoming fiscal session of the General Assembly and advocate for the General Assembly to appropriate funds to repair the HVAC and the roof; 4) negotiate a new lease agreement during April, May and June, with the goal of executing a lease sometime in the summer of 2012, after which the LRCMHC would explore commercial funding for future repairs. Mr. Hopkins stated that after the September 14 meeting, he understood that LRCMHC would explore financing for immediate roof and HVAC repairs, and that the Board would consider nominal rent payments for whatever term of years the financing institution would require. Mr. Foti confirmed that his understanding was the same as stated by Mr. Hopkins.

Mr. Jones stated that the LRMHC proposal was neither consistent with his understanding from the meeting nor what he expected, given that the goal was to repair the roof and HVAC system by the end of the year. When Mr. Jones left the September meeting, he understood that LRCMHC would obtain commercial financing for these projects in order to move forward. After contacting commercial lenders, LRCMHC would inform the Board what security would be required to obtain financing, and the Board could consider a lease meeting those requirements. Mr. Jones stated if this is not the case we need to know where the disconnect is and what transpired; that the proposal does not represent the understandings reached at the meeting.

Mr. Burden asked about suitable uses for the building if LRCMHC vacates. Mr. Sago stated if it was remodeled, it could be used for offices, but that DBHS has no remodeling funds. Mr. Hopkins stated that having the LRCMHC in its present location benefits ASH, DBHS and UAMS. Mr. Burden asked if the LRCMHC could come up with an agreement to purchase the building. Mr. Hopkins stated that state law provides that the Arkansas Building Authority (ABA) must participate in any sale, and that the sale price must equal or exceed the appraisal unless there is special justification and approval of a lower price. Mr. Burden asked if the Board could recommend putting the property on the market to sell instead of fixing it up. Mr. Jones questioned what kind of market would there be for a building that needs major repairs. Mr. Burden commented that the property could be used as a parking lot.

Mr. Foti stated that the LRCMHC is hoping to obtain funding during the legislative session. Mr. Foti added that the September agreement was very simple: LRCMHC would take full

responsibility for the repairs and maintenance of the building, and the Board would agree to nominal rent. Mr. Jones stated that unless Mr. Grunden provides a valid explanation for the change of direction, the Board would have to take further actions.

Mr. Foti suggested resending Mr. Grunden the \$7.00 per square foot lease, which would remain in effect until LRCMHC secures funds from the legislature or other sources. Mr. Kidd asked if the State would be liable if the roof fell in. Mr. Hopkins stated that liability depends on the specific facts of each case, but that as a general matter, if the landlord knows or should know that the roof is defective and might collapse, there could be liability. Mr. Hopkins added that the state has sovereign immunity and that any claim for damages would be heard in the State Claims Commission.

Mr. Burden suggested that those negotiating on the Board's behalf go back to the drawing board, restate the options to Mr. Grunden, and seek an explanation for the differences between the agreements reached in September and the LRCMHC proposal. Mr. Burden stated that the Board needs to have someone at the next meeting to take notes or record the meeting because the absence of a record was working to Mr. Grunden's advantage. Mr. Burden stated that any agreement should be documented, and Mr. Jones to have a phone conference call with the Board after the meeting with Mr. Grunden to tell them what was agreed on, and for the Board to take an immediate vote.

Mr. Micheal Burden made a motion for DBHS to meet again with LRCMHC, present and negotiate a final lease, document the meeting, have a phone conference in November or December with the results for the Board to vote on. Mr. Doug Kidd seconded the motion. Motion was passed.

NEXT MEETING:

The next meeting will be Thursday, January 12, 2011, at the DYS Lewisville facility.

Mr. Micheal Burden made a motion to adjourn the meeting. Mr. Doug Kidd seconded the motion. Motion passed and the meeting adjourned at 2:35 p.m.

Respectfully Submitted:

Stephen Foti, Secretary