

Minutes Jail Study Committee January 22, 2009

Members present: Barb Semb, Sheree Nelson, Deloras Vind, Geraldine Van Tassel, Ray Seiler, John Bortle, Paul Halderson, Wally Geske, Dick Miller, Doug Winters, Sheriff Richard Anderson, Lt. Tonya Niederkorn and Chief Deputy Brian Puent.

The meeting was called to order by Halderson at 10:04 a.m. stating proper posting and notification has met open meeting requirements.

Motion by VanTassel and seconded by Seiler to accept the agenda as submitted. Motion carried 10-0.

Motion by Miller and seconded by Winters to accept the minutes of the November 6, 2008 meeting as submitted. Motion carried 10-0.

Owner Architect Agreement from Venture Architects

Venture Architects is working with Trempealeau County on the Jail Study. The original fee was \$5,000 with one change order in the amount of \$2,000 for a total study fee of \$7,000. Venture has used the entire \$7,000 fee and has reached a point where the project needs to proceed to a Concept and Budget Report.

Tom Poweleit advised that they would like to continue working with Trempealeau County on

Approximately half way through the schematic design, committing to approximately \$80,000 worth of work for no additional fee at this time. If the project moves forward Venture Architects be listed as the Architect of record and would be paid for the \$80,000 worth of up front work that was completed and continue with the project at this time.

Halderson advised that the sub-committee has been made aware that the new presidential administration has a stimulus package proposal. The county has applied for funds through this project. It would be advantageous for the county to continue with the design process in case the county should receive any of these funds.

This is a standard contract for services. If the county agrees to this contract Venture would continue to work on the project for no additional fees at this time. Providing up to \$80,000 worth of services, including continued design plans and site plans. Poweleit advised in order to obtain an accurate budget it is important to obtain additional information on the proposed site.

Poweleit suggests that in order to continue with the design and to provide accurate budget information it would be beneficial to conduct a site survey and soil borings. The cost for the independence site survey and soil borings is estimate to be approximately \$10,000.

Poweleit reviewed the points outlined in his proposal letter.

1. Trempealeau County will review and enter into a contract with Venture Architects. Venture recommends an AIA B-141 Owner Architect Agreement which would remain in effect for five years or until the project, which could be a new free-standing building or an addition and remodeling of the existing courthouse, is designed and constructed. Venture Architects will be the Architect of Record for this project during this time frame.
2. The contract will have an architect/engineer fee of 6-3/4% of the final construction amount for new construction and 8% for remodeling.
3. Venture will provide the County a CBR for an actual fee value of not to exceed more than \$80,000 or 800 man-hours, including reimbursable expenses for travel and printing. Venture will notify Trempealeau County before exceeding this amount and ask for additional services only if necessary for additional studies requested by the County.

4. Trempealeau County will make arrangements to pay Venture Architects the \$80,000 or earned fees upon County Board approval of the CBR and/or approval by the County Board to proceed with financial plans for funding and/or construction. This will be before Design Development and Construction Document Phases begin.

Vind questioned if Corporation Counsel has reviewed the contract. LaVerne Michalak advised that he has reviewed the contract which would need to be forwarded to the full County Board for approval.

Michalak requested clarification on item number four. Poweleit advised that the \$80,000 would be paid once the County Board commits to funding the process. Poweleit further advised that the \$80,000 comes out of the 6-3/4% of the final construction amount for new construction.

Miller questioned the number of votes needed to approve bonding for the jail project. Michalak advised three-fourths of the County Board members would need to approve the bonding.

Bortle requested that Michalak review the AIA Contract. Michalak advised that he has reviewed the standard contract and did not note any surprises, it seems to be a standard contract. Michalak would also review the final contract before it was presented to the County Board. Michalak would like the contract to include the terms set forth in the cover letter. Michalak also requested to have item number four clarified in the contract.

Seiler questioned if there would need to be three-quarter vote from the County Board to approve this contract. Michalak advised that approval of this contract would only require a simple majority.

Motion by VanTassel and seconded by Winters to forward a resolution to the full county board to enter into the proposed AIA Contract with Venture Architects. Motion carried 9-1 (Vind opposed).

Bortle questioned if there is a new idea in three months that change the whole scenario would Venture continue to work with the county on those changes. Poweleit advised if there is a large change there may have to be more discussion. The proposal is based on the scope presented to Venture Architects at this time.

Nelson questioned what the ramifications would be if the contract was broken. Poweleit advised that they will bill the county for the time involved. If Venture decided to break the contract then Trempealeau County would receive the work that was completed to that point. This contract has also been entered into with other counties in. Poweleit advised that if the county does not approve this contract then they would continue to work with the county on an hourly basis.

Presentation from Tom Poweleit with Venture Architects

Concept Scenarios – Poweleit reviewed the design for the 119 bed Jail Facility. At this point the floor plans are simple blocked diagrams of space. If moving forward with the schematic design Venture would be developing to space to show actual rooms, etc.

The committee reviewed the Project Cost Comparison prepared by Venture Architects. The key issue to consider is the cost per square foot when comparing the different scenarios. Halderson advised that there were a list of concerns with the initial 119 bed facility. Two of the most significant concerns were the site lines within the 119 bed facility. Scott Morris expressed concerns with this design because as the circle gets bigger the site lines decrease. The other significant concern is that the 119 bed facility would not meet the long term needs of the county. In order to address these concerns the two pod, 200 bed facility was proposed. Miller advised that the site line issues that were expressed by Morris could result in the need to hire additional jail personnel, which is an important issue to consider. Poweleit advised when the progress to the Concept and Budget Report there will be an ability to obtain a commitment from the Jail Inspector on the personnel needed to operate the facility.

Halderson advised that this time there are three different scenarios and questioned if the committee could narrow down the scenarios at this time. Geske advised the county is going to proceed with this project then mathematically it makes sense to move forward with the 200 bed facility. The costs from the comparison counties are actual costs inflated to 2009 rates. Miller advised that if the county moves

forward with the 200 bed facility the second pod would not be opened until there was justification for doing so. Geske cost if there is a reduced cost for housing inmates in the dorm area versus the maximum security area. Lt. Niederkorn advised that it is typically less staff intensive to house inmates in the minimum security (dorm) area.

Nelson questioned what the county would get with the shell. Poweleit advised that the plumbing would be roughed in there would also be some operating costs as the temperature would need to be maintained at 50 degrees. Poweleit further advised that there also degrees of shell space. There would be a savings to complete the both pods at this time. If the second pod was finished in five years the cost for finishing that area would likely double.

Motion by Geske and seconded by Van Tassel to concentrate efforts on the design for a 200 bed facility. Motion carried 10-0.

Potential Bed Rental - Semb questioned if the Sheriff's Department has done any research on bed rental. Sheriff Anderson advised he contacted the state about housing state inmates. The State of Wisconsin is housing inmates in 21 counties and they expect there will be a need for additional bed space in the next couple of years. At this time the State of Wisconsin cannot enter into a guaranteed contract. They further advised that Trempealeau County would be required to provide transportation to their "docking stations," one of which is Stanley. The Sheriff's Department is also continuing discussions with other counties regarding future needs.

The committee also reviewed the potential bed rental spreadsheet prepared by Venture Architects. Bortle questioned why the out of county housing rates seem to change drastically. Lt. Niederkorn advised that the cost per bed/per day is highly dependent on supply and demand.

Halderson advised Trempealeau County is not looking at a 200 bed facility because of potential bed rental income. The reason for exploring the 200 bed facility is to meet Trempealeau County's needs for the next 20 years.

Debt Options for Financing Water and Sewer Utility

Whitehall City Clerk Lynn Johnson and Whitehall City Council President Dan Schreiner. The construction costs are estimated to be approximately \$700,000. The committee then reviewed the options presented by the City of Whitehall for financing the water and sewer utility extensions for the county's jail project. Option number one is for the City of Whitehall to pursue Revenue Bonds. The second option is Assessment B Bonds. There is not significant difference in interest rates for the two options. The Assessment B Bonds do require equal principal payments. If the county decided to include the cost in the construction costs then the county may be able to obtain lower rates.

Miller questioned if there would be any opportunity for partial payback if there was new construction between the City and the proposed site. Johnson advised there certainly would be that opportunity.

Mike Hallmann with BMO Capital Markets GKST Inc.

Bonding Scenarios – Hallmann advised that the credit markets have been in disarray and changes on a daily basis. Hallmann advised there are a couple of things that are very important for Trempealeau County to consider. Hallmann advised in this type of environment it is important to have as many bidders as possible.

Given the level and size of project being considered it is important to consider bank qualified debt (less than \$10 million dollars in a calendar year). Hallmann advised that Trempealeau County is looking at project that is over \$10 million dollars and therefore he would suggest that the County look at two separate issues. Federal laws dictate that once debt is labeled as bank qualified it is always bank qualified. If you have two pieces of bank qualified debt and eventually refinance, combing them together they would still be bank qualified.

Hallmann reviewed the scenarios with the County. He also included previous debt to indicate where the county debt numbers are currently at. The numbers were for discussion only and are not an actual financing plan.

Hallmann advised that current rates would be approximately 3.15% to 3.75%. The County Board would have to adopt a resolution for bonding with a three-quarter vote. That resolution would give the County the authority to borrow the money. There would then be a need for a Sale Resolution for bond issue. The Sale Resolution would only require a majority vote.

Hallmann advised that when considering water and sewer costs it is important to realize that if Trempealeau County pays for the construction of the water and sewer there may be question on ownership and who would be responsible for future maintenance costs.

The current economic situation has led to a favorable bidding market which may offset some of the construction costs.

Discussion on Referendum and County Board Vote

There has been much discussion on going to a County Referendum versus a County Board vote. Halderson advised emails were sent out to other counties to determine how they handled certain projects. Of the counties that responded the majority indicate that similar jail projects were approved by County Board Vote. Some of the responses indicate that the Referendum would only be advisory in nature and the County Board would have the final vote.

It was stated that there is a lot of volatility in the economy and the citizens should have the opportunity to vote. It was further stated that no one wants to see their taxes raised but as members of the County Board they need to look at what is best for the county. It is difficult to educate all the citizens in the county on the current deficiencies and future needs associated with this project. It was also stated that it is the citizen's money and since they will have to pay for it they need to make the decision on whether or not they want it. It is the County Board's ability to explain the need to the public. It was further stated that the people of our community have elected the board members to study projects and determine what is best for the County, they are entrusting the board members to make the decision. This is only discussion at this time and the final decision would be left up to the full County Board. Timing is an issue and if the County Board decided to move forward with a Referendum there was discussion on how far the decision would be pushed out.

Halderson advised the committee fully intends to present the information to the public, but before doing that the committee needs to finalize the information. Over time there has been a lot of information obtained that has revised the proposal. Once the project is defined the public will discuss public education.

Public Comment

Olin Fimreite spoke and advised that he believes more time needs to be spent exploring the Justice Sanctions program.

Set Next Meeting Date/Time

The next Jail Study Committee will be approximately one month out, to be scheduled at a later time.

Meeting adjourned by Halderson at 12:44 p.m.

Rebecca M. Suchla
Administrative Assistant