



# MEETING DOCUMENTATION

Planning • Architecture • Engineering • Interiors • Facility Management

**PROJECT:** Richardson County Law Enforcement Center  
Phase 3 Preliminary Concept Planning

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**LOCATION OF MEETING:** Falls City, NE – Richardson County District Courtroom

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**PROJECT NO.:** 130304      **DATE:** November 7, 2013      **TIME:** 6:30 PM

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<b>PERSONS INVOLVED:</b>	<b>ORGANIZATION/GROUP:</b>	<b>TELEPHONE NO:</b>
Mary Eickhoff	Richardson County Clerk	(402) 245-2911
David Sickel	Chair, Richardson County Commissioner	(402) 245-2103
Denny Macomber	Nebraska Jail Standards	(402) 471-2194
Mark Joy	Committee Member	(402) 862-2296
Charlie Fiegener	Committee Member	(402) 855-4395
Jake Ankrom	Committee Member	(402) 245-8775
Jerry Duerfeldt	Committee Member	(402) 883-2217
Kenneth Arnold	Committee Member	(402) 245-5641
Ray Joy	Committee Member	(402) 245-6996
Phil Bletscher	Committee Member	(402) 245-7294
June Bowers	Committee Member	(402) 245-0648
Andy Snyder	Smith Hayes	(402) 476-3000
Scott Lundberg	Prochaska & Associates (PA)	(402) 334-0755
Jay Weingarten	Prochaska & Associates	(402) 334-0755

## **DISCUSSION:**

The purpose of the meeting was to discuss project budgets and financing options. The overall goal of this study is to find the most feasible solution to meet the needs of the Richardson County Jail at the Armory Building.

1. Chairman Sickel opened the meeting and took roll call. In addition to the committee members, Andy Snyder from Smith Hayes was present at the meeting to answer questions about the County's financing abilities and options.
2. The Committee is nearing the end of the Preliminary Concept Planning process and after tonight will have all of the information necessary to make a recommendation to the County Board of Commissioners, if they choose to.
3. Scott Lundberg/PA briefly reviewed the plan for **Option 1 – 24-Bed LEC at the Armory Building** which was presented at the previous meeting. The budget presented at this meeting was developed from these drawings. A majority of the jail spaces required by Nebraska Jail Standards are lacking in the current jail, and are necessary for the operation of a modern jail.
4. Jay Weingarten/PA discussed **Option 2 – Close and Transport**. Option 2 is a scenario that the County could choose, but more likely would be caused by a forced closure of the existing jail and inaction in building a new facility. The Sheriff indicates that if the jail were to close, it is likely that a couple prisoners would be sent to Nemaha County but most prisoners would be sent to Cass

County. The County then pays a daily fee per prisoner housed at another facility, and is still responsible for all medical expenses. The County does not avoid liability by housing prisoners out of county and may still be held liable. Additionally, the County would be at the mercy of any escalations in the cost of boarding or transporting prisoners. A budget for Option 2 was presented later in the evening.

5. In order to present the project budgets, Jay described the method used and the costs included in developing a project budget:

- These budgets have been developed in conjunction with the preliminary concept plan using PA's history of construction costs and localized national average construction costs for buildings of similar size and type, available from RS Means Construction Cost Data. The costs are factored specifically to Richardson County for a projected bid date in the fall of 2014 and based upon the size of the project.
- The project budgets include Hard Costs (the building, attached contents, site work, landscaping, etc.) and Soft Costs (A/E fees, construction phase testing, furnishings and equipment, etc.). Hard Costs typically represent 75-85% of a total project cost, while the remainder is attributed to Soft Costs. Both Soft and Hard Costs are included in a project budget and anticipate all costs necessary for completion of a project.
- The budgets also take into account construction inflation, which has increased at a relatively steady rate for several years except for a brief period between 2008 and 2011. Budgets are escalated to an assumed fall 2014 construction bid climate. Several illustrations of the impact of construction cost inflation were noted, for example a project which cost \$192.22/SF in 2002 would be expected to cost \$318.25/SF in 2014.

6. Jay presented and described the project budgets for each option.

- The project budget for **Option 1 – 24-Bed LEC at the Armory Building** has a Construction Budget of **\$2,821,020**. Soft Costs are projected at \$805,260 for a Total Project Budget of **\$3,626,280**.
- The budget for **Option 2 – Close and Transport** includes the cost of transporting and housing prisoners in another county for 20 years, projected to be **\$7,910,629**. It must be noted that the boarding and transport costs would not end at 20 years, but would continue indefinitely, or until the County builds a jail, leaving the County vulnerable to fluctuations in locally available beds and/or rates. A 20 year period of transport and boarding costs is used to compare with the length of a construction bond which could be used to finance Option 1.
- Denny Macomber/Jail Standards pointed out that Richardson County has saved a significant amount by purchasing the existing armory. Constructing a 24-Bed from the ground up without the benefit of an existing building would cost the County significantly more, and it will only be more expensive in the future because of the ever increasing cost of construction.

7. Andy Snyder/Smith Hayes presented options for financing the jail project.

- The County's 2013 levy is \$0.364760 per \$100 of taxable valuation, and a \$0.05 tax increase would generate approximately \$7,250,000 for a project. \$0.05 is used as an example because this is the amount that can be levied via the nickel tax for construction of County facilities such as jails.
- The current budget for Option 1 would represent a tax increase of approximately 2.5 cents per \$100 of taxable valuation, or approximately \$25 per \$100,000.

8. Following the presentations and discussions with representatives from PA, Jail Standards, and Smith Hayes, the Committee convened privately to discuss how they would like to proceed. (Minutes from this meeting are attached.) The Committee voted to present the Options studied to the County Board of Commissioners in order to make a recommendation of how to proceed.
9. The next meeting is scheduled for **6:30 PM** on **Tuesday, November 19<sup>th</sup>** at the District Courtroom in the County Courthouse. The meeting will include a Pre-Final presentation of the options studied.

BY:   
Jay Weingarten  
Designer | Architectural Coordinator

November 12, 2013  
Date

**If any of the parties present take exception to these meeting notes, please notify Prochaska & Associates within five (5) days of issuance for correction or they shall stand as written.**

## PROCHASKA & ASSOCIATES

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November 7, 2013

Meeting of Jail Committee

Minutes after Prochaska & Assoc. left at approximately 8:55 p.m.

The Committee members each gave their thoughts/opinions of the project:

- 1) looks feasible, it is an infrastructure and needs to be done sooner or later, liability with existing facility, the costs now are better than later, interest rates are at a low now, geothermal is the way to go but the cost seemed to be project a little high
- 2) a cost to taxpayer of \$20-\$25 on a \$100,00 valuation is OK now but with regards to agriculture land valuations and the factor that commodity prices are getting lower and may continue to fall this could be hard to pay
- 3) can the number of cells/beds be cut, concerned about the fact that the valuation could fall in future years if agriculture land market falls
- 4) if the number of cells/beds were reduced then that would reduce the number of classifications of inmates that could be held
- 5) some good salesman, believe that the project price is overpriced

The committee would like to review with Prochaska & Assoc. the places that could be cut/reduced to lower the costs.

The committee would like to meet for their next meeting with the County Board preferably on a Tuesday evening.

The committee did take a vote on whether their recommendation to the County Board would be to proceed with the project or not with the results being: Yes-7, No-2, Absent-1.

The committee adjourned at 9:30 a.m.