

**Windsor, North Carolina
September 29, 2020
REGULAR MEETING**

The Bertie County Board of Commissioners met in a Special Called Meeting with the Martin County Board of Commissioners, Chowan County Board of Commissioners and the Bertie-Martin Regional Jail Commission on Tuesday, September 29, 2020 at 7:00 p.m. at the Cashie Convention Center, 118 County Farm Road, Windsor, NC.

ATTENDENCE
Bertie County

Present: Ronald "Ron" Wesson, District I
Tammy A. Lee, District III
John Trent, District IV

Absent: Greg Atkins, District II
Ernestine (Byrd) Bazemore, District V

Staff Present: County Manager Juan Vaughan, II.
Clerk to the Board Sarah Tinkham
Assistant County Attorney Jonathan Huddleston
Finance Director William Roberson
IT Systems Administrator Scott Pearce

Martin County

Present: Chairman Tommy Bowen
Vice Chairman Dempsey Bond, Jr.
Commissioner Elmo "Butch" Lilley
Commissioner Ronnie Smith

Absent: Joe R. Ayers

Staff Present: County Manager David Bone
Clerk to the Board Jessica Godard
Finance Officer Cindy Ange
Sheriff Tim Manning

Chowan County

Present: Chair Patti Kersey
Commissioner Ron Cummings
Commissioner Bob Kirby
Commissioner Larry McLaughlin
Commissioner Don Faircloth
Commissioner Greg Bonner

Absent: Commissioner Ellis Lawrence
County Manager Kevin Howard

Staff Present: Clerk to the Board Susanne Stallings
Sheriff Edward Basnight

BMRJ Board

Present: Chair/Martin County Commissioner Dempsey Bond, Jr.
Vice Chair/Bertie County Commissioner John Trent
Martin County/Director John MacDonald

Absent: Bertie County/Director Dianne Bazemore
Martin County/Director William Stalls

Staff Present: BMR Jail Administrator Terrence Whitehurst
BMR Jail Deputy Administrator/Secretary Lydra Freeman.

No members of the media were present.

CALL TO ORDER/STATEMENT OF PURPOSE

Bertie County Chair Wesson, Martin County Chair Bowen, Chowan County Chair Kersey, and BMR Jail Chair Trent called the meeting to order at 7:00 p.m.

Martin County Manager Bone stated this meeting was a culmination of two years of discussion and efforts. County Manager Bone recalled in October of 2018, Chowan County Manager Kevin Howard sent a letter asking Bertie and Martin Counties if the counties were willing to consider the feasibility of Chowan County joining the Bertie-Martin Regional Jail. The managers of the three counties met several days later to discuss the matter. Additionally, the Bertie-Martin Regional Jail (BMRJ) Board met several weeks later and expressed a desire to consider the expansion of BMRJ to include Chowan County.

County Manager Bone further stated an Inter-Local Agreement was drafted to document the desire of the Boards of Commissioners of the three counties to proceed with a study to evaluate this matter. Additionally, a Request for Qualifications (RFQ) document was drafted and distributed concerning a study of this matter.

The Boards of Commissioners of Martin, Bertie and Chowan Counties held a joint meeting about this matter on March 28, 2019. All three counties agreed to move forward. Interviews for the Bertie-Martin Regional Jail Feasibility Study Consultants were held on June 12, 2019. The BMRJ Board met on June 13, 2019 and agreed to move forward with negotiations with Moseley Architects. Moseley drafted a scope of services, and the proposal was approved by each county's Board of Commissioners.

Moseley Architects and their partners in the financial analysis, Davenport Consultants, were present at tonight's meeting to present the findings of the study. With Moseley Architects was Todd Davis and Dan Mace. Ms. Kim Hamby of the Timmons Group (the civil engineering firm that conducted the site review) was also present. Finally, with Davenport Consultants was Mr. Ted Cole.

Martin County Manager David Bone stated no decision was expected at this meeting. Each Board was to receive the presentation and have discussions and ask any questions afterward.

PRESENTATION OF JAIL STUDY REPORT

Mr. Dan Mace with Moseley Architects reviewed a general agenda for the presentation. The agenda included team introductions, needs assessment and bed projections, development options (one with Chowan County and one without), Davenport financial report, and time for questions. Mr. Mace stated the information represented a lot of time and effort as staff looked at the current facility. The projections were based on five years of data, and he stated the projections did not reflect 2020, due to the year not being over and the effects of COVID-19 on the jail populations.

Mr. Todd Davis with Moseley Architects provided information about bed projections to try and identify growth needs for the jail, to determine how to move forward. Figures discussed included the inmate average daily population at BMRJ and historical admissions to BMRJ. Other figures discussed included BMRJ average length of stay and projected admissions.

Mr. Davis stated information had been provided from the jail from the previous five years in order to conduct this study. BMR Jail was rated for 90 beds. Charts showed that BMRJ had exceeded its rated capacity (what the state rates the jail facility at when it is built) and its operational capacity (classify and separate offenders by law) consistently over the past 5 years.

Mr. Davis reviewed historical admissions to BMRJ and the projected admissions through 2045. Based on current jail data and the county population census, the number of admissions shown followed similar growth as general county population growth. Mr. Davis further explained determining the average length of stay (ALOS) was critical to bed-space projections. He said the longer the ALOS, the greater the need for bed-space. Mr. Davis reported the ALOS of BMRJ was much lower than many other counties, but staff was encouraged to stay on top of that to keep that number as low as possible.

Next, Mr. Davis explained the BMRJ calculation of peaking ratio, which helps determine when additional space may be needed. The next category discussed was classified (ADP increased by 20%) and peaked projection, which predicted the BMRJ forecasted population using the highest

admission rate. These figures indicated the BMRJ facility needed to be expanded to approximately 140-142 beds to accommodate 2045 needs going forward.

Next, Mr. Davis discussed the inmate bed projections for Chowan County jail only, stating the information was very similar to the BMRJ information. The numbers almost matched Bertie and Martin populations, just on a smaller scale. Mr. Davis said Chowan County's population was also decreasing, but not as rapidly as Bertie or Martin counties. Mr. Davis discussed inmate average daily population, historical admissions, projected admissions, average length of stay, peaking ratio, and forecasted population using the highest admission rate. The information discussed indicated the Chowan County bed needs reflected a design need of approximately 42 beds to address the 2045 projections going forward.

Mr. Davis then discussed the BMRJ plus Chowan County combined forecasted population using the highest admission rate. Based on those projections, a total of 191 beds would be recommended to meet the classification and peaking requirements through the year 2045.

Mr. Mace said he existing facility was reviewed and they made recommendations for improvement on the aging facility. As population increased over time, the current facility had some things that were lacking. There was a need for multiple types of housing to separate different classes of inmates. It was not recommended to build a single housing using, but instead several smaller units were recommended.

Ms. Kim Hamby of the Timmons Group discussed two charts showing separate options for expansion of the BMR Jail facility. Because of the location of the jail and the condition of the surrounding land, expansion would have to go forward, instead of off the sides of the current structure. Space for parking was considered and discussed, as well.

Mr. Mace stated the core spaces of the current jail were inadequate to accommodate a proposed expansion. Those inadequate core spaces discussed were intake/booking, property storage, kitchen area, medical area, lobby, visitation space, etc. It was recommended those things be considered as adding on these spaces later would be very difficult. Option 1 showed new core spaces that were suggested with the expansion. Option 1 showed an addition of 101 new beds (32,000 square feet), on top of the current 90. Mr. Mace explained the new proposed housing units were very staff efficient. There was a proposed single story 8-bed restrictive housing unit for inmates that had to be separated from the general population.

Option 2 addressed the BMR Jail needs, with room for an additional expansion at a later date, if Chowan decided to join at a later date. There was one less housing unit, and a 16-bed restrictive housing unit. Option 2 included the addition of 47 new beds (24,000 square feet). The estimated cost of option 1 with the addition of Chowan County was \$17,844,966.56. The estimated cost of option 2 expansion without Chowan County was \$14,043,284.06.

Mr. Ted Cole with Davenport Consultants was present to discuss the financial elements of the potential project(s). The goals and objectives were to:

- Review and summarize historical financial performance of the Commission, including revenues, expenses, debt service, capital investment, and reserve balances in order to develop a baseline financial forecast for existing revenues and expenses.
- Develop a forward looking pro forma financial model to analyze the projected performance of BMRJ under the current operating profile and alternative scenarios (e.g. renovations, an expanded facility, operational benefits/costs of expansion, and adding Chowan County as an additional member).
- Calculate the impact of member counties of different renovations and expansion scenarios both with and without the addition of Chowan County to the Commission.
- Utilizing the pro forma financial model and other historical data, develop a series of “buy in cost” methodologies and analyses, which will provide a range of the potential “buy in” costs for Chowan County.

Mr. Cole highlighted the historical financial performance of the BMR Jail Commission since 2015, discussing various line items (revenues, expenditures, new revenue available for debt service, capital outlay, surplus, ending funding balance). Overall, the information showed that the BMR Jail Commission maintained percentage of fund balance over 30% in 2018 and 2019. The minimum acceptable amount of percentage of fund balance should be at least 20% of the operating budget in reserves.

Davenport staff was using the 2021 budget as the basis of projections. Projections would be effective for FY 2022 and beyond. The fund balance should remain at 20%. The county pro rata contributions based on 2019 populations were:

Without Chowan County:
 Bertie County – 45.89%
 Martin County – 54.11%

With Chowan County:
 Bertie County – 34.51%
 Martin County – 40.69%
 Chowan County – 24.80%

Three scenarios would be discussed: 1) do nothing, 2) smaller expansion with just Bertie and Martin Counties, and 3) larger expansion with the addition of Chowan County.

In order to account for potential increase in facility size and projected growth in the average daily population (ADP) of inmates, the following two expense forecasting methodologies had been established:

- Expenses per bed: these expenses are assumed to grow in line with the bed capacity in the jail in any given fiscal year.
- Expenses per inmate: these expenses are assumed to grow in line with the projected ADP in any given fiscal year.

Expenses per bed and per inmate estimates were calculated based on FY 2021 budgeted expenses and assumed to grow at an inflation rate of 3%. The 2021 budget was discussed, and the per bed and per inmate costs were about the same (approximately \$31,000) in the 2021 budget.

Capital Funding Assumption – for purposes of this analysis, three scenarios were analyzed based on Moseley’s two expansion options. In all scenarios, construction/design was assumed to begin in FY 2022, and construction was anticipated to be completed at the start of FY 2024.

Scenario A – no expansion, no project, only showing inflation with BMRJ. The contributions were projected through FY 2030. The total contributions over the next 10 years were \$3,836,488.

Scenario B – Small expansion with BMRJ only without Chowan County. The projected expenses were \$5,145,140 through FY 2030. Scenario C – Large expansion with the addition of Chowan County. The projected expenses were \$6,635,246. In scenario C, it was assumed Chowan County would begin contributing once operations of the expanded facility began in FY 2024. Negotiations could take place to have Chowan County start paying on that debt service right away, as opposed to waiting until FY 2024.

Under Scenario C, the existing members may consider buy-in compensation from Chowan County for joining the BMRJ Commission. Based on fixed assets on BMRJ books, fixed assets of existing facility, and cash balances, the Chowan buy-in amount was estimated to be \$551,441. Other things to be considered were the insured value/replacement value of the existing facility, any “good will” or value of the existing Authority structure being established, and any incremental cost of expansion.

The timing of a buy-in payment, if any, needed to be established. There were several alternatives, including a single upfront payment, direct annual payments to the existing members over a period of time, or annual reductions in existing member contributions over a fixed period of time.

Mr. Cole stated there were more in-depth scenarios available in the handouts, and staff would be available to answer any questions afterwards, if needed.

Chowan Commissioner Kirby asked Mr. Cole to review the information regarding the per bed/per inmate amount on page 6 of the presentation. He asked if the \$30 per day amount was typical. Mr. Davis with Moseley Architects stated that number was actually low, reporting the state of North Carolina had a per diem rate of \$40 per day plus revenue.

Martin County Commissioner Smith stated the average cost allocation per inmate was \$111(+) daily. He reported the jail cost allocation for personnel costs was 64%, operating costs was 21%, and facility/indirect fees was 15%. Commissioner Smith stated in 2019 in North Carolina, there were approximately 1.9 million charges. 1.6 million of those charges were misdemeanors, and only 343,000 felonies. He stated 85% of people in North Carolina jails were facing \$2,500 or less in bonds. He stated there was a lawsuit in Alamance County, NC by the ACLU that may affect the entire state related to bonds. Commissioner Smith reported on studies that center around bond reform and expressed the need for bond reform in North Carolina. He stated there were many people in jails that suffer with mental illness, as well. Further, Commissioner Smith stated he was

in favor of regionalization and collaborations, and he said there might be available money in the future to help with that type of operation.

Bertie Commissioner Lee echoed Commissioner Smith's comments, stating there was lots that could be done to keep the jail population down across the state of North Carolina. She spoke of the importance of review of inmate sentences and bonds in order to keep the population down.

Bertie Chair Wesson stated he supported the bond reform that Commissioner Smith spoke about. He stated he had spoken with Representative Ed Goodwin prior to the meeting, and he was told the state of North Carolina was considering special funds for this type of project (regionalization).

Commissioner Smith reiterated inmate reviews were crucial (who is in jail, why are they in jail, etc.). Commissioner Smith spoke about the racial disparities among inmates. The responsibility falls back on the County to take care of the people in their jails. Commissioner Smith stated there were other jails that had active programs to help reduce the inmate population, especially for unnecessary incarcerations.

Chowan County Commissioner Bonner asked if the number of proposed beds in the presentation would be necessary and if the boards need to wait on committing to the expansion. Commissioner Smith stated he felt the three counties should collaborate, no matter how many beds were proposed. Bertie Chair Wesson stated there was a large problem with inmates with mental illness, stating outpatient mental health services were less than optimal. Many inmates were in jail solely because of their need for mental health services. Commissioner Trent stated that needed to be taken into consideration before making a final decision before spending a large amount of money on this project.

Bertie County Commissioner Lee stated she was opposed with the proposed amount of money to be spent on new "core areas", and she stated a different design for just housing made better sense. The new dormitory was built in 1996 and the original part of the jail was built in 1982. Commissioner Trent stated several years ago, around \$400,000 was spent on upgrades and renovations. He stated things like that needed to be thought about too, as the cost may be increased from the presented projections.

Bertie County Chair Wesson stated the Boards should advocate for the right kinds of changes, stating there are people that need to be in jail, but some do not. Commissioner Smith stated statistics showed that if someone is in jail for an extended time, they are likely to lose employment, etc. Once that person is out of jail, they were more likely to go out and commit another crime to "catch up". He voiced his concerns that pre-trial time periods were too slow, affecting the jails as well. Commissioner Smith again stated a collaboration between the three counties would be better financially, and he stated timing was key.

Bertie County Chair Wesson asked Chowan County staff what the urgency was for their facility and what their concerns were. Chowan County Sheriff stated the jail was approximately 40 years old and was not in great shape. Their capacity was 23, but their population was typically above that (28 on the day of the meeting). There were cells that had to be shut down, due to broken

windows and other situations. He stated the bond reform had been being discussed for years but had not happened yet.

Commissioner Trent stated Chowan County had an offer from Albemarle Jail for a \$500,000 buy-in years ago and asked why that did not happen at the time. Chair Kersey stated that was before her time, and she did not have the information or a reason why that project did not proceed.

Chowan County Chair Kersey asked what the next steps after tonight would be going forward. Bertie County Chair Wesson stated no decision was needed tonight, but each Board should take the information back to decide soon. Since the facility would not be available for use by Chowan County until 2024, the Chowan County Sheriff stated the jail would have to operate as it is, until the new facility was operational. Chowan County had to spread inmates around to other counties to keep their jail population down.

BMR Jail Board Member MacDonald stated, “We need to be proactive, not reactive”. He stated there would always be people in jails, no matter what changes were made regarding bond reform and charges. Even though this project would cost money, it may open doors for more funding in the future.

Mr. Mace thanked the Boards for their time. He stated staff would be available for any further questions. He said that many jails their staff evaluates have many of the same issues that BMR Jail was facing. He stated whether an expansion was done or not, there were still needs that needed to be addressed in the current facility.

Bertie County Chair Wesson asked if Martin and Chowan Counties were a part of the opioid litigation. Martin County Commissioner Smith stated it did not matter, because all counties would receive funds, even if they did not participate in the lawsuit. He stated counties would be able to control part of their funding themselves, without restrictions.

The consensus was to have each Board review the information presented, pass their decision along to the County Managers and have a decision about how to proceed by the end of October 2020. Discussions were had about possibly waiting until new Board Members were brought on board after the elections in November 2020, but the consensus was to go ahead and decide now with current Board Members.

ADJOURN

With no further business to discuss, Bertie County Chairman Ron Wesson adjourned the meeting at 8:42 p.m. with no objections.