

MEETING MINUTES

LIVINGSTON COUNTY

MARCH 27 , 2014 - 9:00 PM

ADMINISTRATION BUILDING - BOARD CHAMBERS
304 E. Grand River Avenue, Howell, MI 48843

JAIL IMPROVEMENT COMMITTEE

JUDGE BRENNAN

COMM. DOMAS

CC ADMIN. EVANS

COMM. LAWRENCE

COMM. PARKER

OTHERS:

TERRY DONNELLY
MIKE MURPHY

JEFF LEVEQUE
BELINDA M. PETERS

TOM CREMONTE
CINDY CATANACH

1. **CALL TO ORDER:** Meeting called to order by: **COMM. DON PARKER AT 9:04 AM.**
2. **APPROVAL OF MINUTES: MINUTES OF MEETING DATED MARCH 13, 2014:**

MOTION TO APPROVE THE MINUTES, AS PRESENTED.
MOVED BY: LAWRENCE / SECONDED BY: EVANS
ALL IN FAVOR - MOTION PASSED

3. **APPROVAL OF AGENDA:**

MOTION TO APPROVE THE AGENDA, AS PRESENTED.
MOVED BY: LAWRENCE / SECONDED BY: EVANS
ALL IN FAVOR - MOTION PASSED

4. **CALL TO THE PUBLIC: None.**

5. **TAXABLE vs NONTAXABLE BOND OPTIONS:**

- Comm Donald Parker review with the committee the status of where the Committee is currently at in the review of the Jail Improvement and the possibility of revenue generation with the possible future contract with the US Marshall's office.
- Terry Donnelly gave an overview of taxable bonds and nontaxable bonds. He informed the committee that when financing with nontaxable bonds the county will not be able to exceed the maximum of 40 beds to lease. If you are able to finance with taxable bonds, the facility will be considered private business use, then you can have a private activity bond therefore, if you need to go over the minimum of 10% which is 40 beds you can.

- Currently the facility houses 254 beds. The improvement will provide another 250 beds, therefore, at the end of the day the new facility in total will have ~~404~~ 411 beds. In theory, new costs are with new wing and one could finance new improvements with new bonds put federal prisoners in old facility opening the new portion for non federal prisoners. At the end of the Bond sale, one is required to file tax exempt forms stating what you used proceeds for. A red flag is usually jail facility – likely to be audited. Everyone needs to realize the overall total objectives and make it so that the nontaxable bonds do not become taxable for you in the future due to misuse of the facility. Good scenario would be to Issue both type of series of bonds in order to maximize housing of federal inmates.
- If structure the bonds into two series, one taxable for the for renovation of the existing facility and one nontaxable for the new facility. Then can use old facility for federal prisoners with no limitations and can also house up to 20 federal inmates in the new facility. At this time there is only 1 basis point between taxable and nontaxable bonds. It might be the better option to go to taxable bonds for the whole project then no limitations placed on the facility from the Federal Government.
- Policy decisions need to be made at the county level as to what the best possible scenario will work for the Sheriff's Department in order to maximize the amount of beds that would be available to lease to the US Marshalls. Also need to remember to put all the common areas into a taxable bond then no worries. Bond structure needs to be driven by what the Sheriff's Department needs.
- Dickinson will work with us and go through and breakdown as thorough as needed so that the best advice is given to be able to optimize the agreement with the US Marshall's office. Need to review the floor plan
- Sheriff's Department will need to come back to the Board to ask for a civilian to hire to take care of tracking medical on inmates.

6. GENERAL DISCUSSION:

- Facility upkeep of existing facility, heating issues, cleaning of ventilation system. Keeping spare parts on hand, increase the budget for the upkeep and maintenance of the facility.
- Tim Livingston will be joining this committee

7. OTHER BUSINESS:

- Next meeting: April 3, 2014 at 8:00 a.m.

8. ADJOURNMENT:

**MOTION TO ADJOURN AT 10:22 AM.
MOVED BY: LAWRENCE / SECONDED BY: EVANS
ALL IN FAVOR - MOTION PASSED**

Respectfully Submitted

KELLI HAWORTH
RECORDING SECRETARY