



STEELE COUNTY SPECIAL BOARD AGENDA

Administration Center
630 Florence Avenue – Owatonna, MN 55060

*Steele County's Mission:
Driven to deliver quality services in a respectful and fiscally responsible way.*

MONDAY, APRIL 26, 2021 at 8:00 AM
County Boardroom, Steele County Administration Center

Due to the current emergency declarations and guidance about limiting person-to-person contact due to the COVID-19 (coronavirus) pandemic, in person attendance at all meetings of the of the Steele County Board of Commissioners will be suspended till further notice in accordance with the Minnesota Statute 13D.021. Attendance to meetings by Telephone or Other Electronic means are available. Contact the Administration Center at 507-444-7400 or visit the Steele County Website at www.steele.mn.us for additional information.

Agenda

1. Call to Order
2. Pledge of Allegiance
3. Approve Agenda

Public Comment

Those wishing to speak must state their name and address for the record after they are acknowledged by the Board Chair. Each person will be limited to two (2) minutes to make his/her remarks.

Speakers will address all comments to the Board as a whole and not one individual commissioner. The Board may not take action on an item presented during the Public Comment period, unless the item is already on the agenda for action. When appropriate, the Board may refer inquiries and items brought up during the Public Comment period to the County Administrator for follow up.

General

1. Jail Collaboration

Adjourn

Disclaimer: This agenda has been prepared to provide information regarding an upcoming meeting of the Steele County Board of Commissioners. This document does not claim to be complete and is subject to change.

Rice-Steele Joint Jail Venture Proposal

April 26, 2021

Recap

The request from the Rice County Board last week at the joint meeting was to provide a “buy-in” amount that Steele would expect from Rice to access/use the Steele County Detention Center in a joint venture of some sort.

Our Proposal to Rice County

We need to present them what we have to offer and how this partnership can work!!

Here are some items to include in our proposal to make it **transparent, positive and enticing**:

1. We have a jail that was built with a regional design that can accommodate Rice County inmates
2. Description of recent improvements to the facility:
 - a. HVAC upgrade to improve efficiency
 - b. Security system update
 - c. Technology upgrades to accommodate communication with Courts and public
3. Location near Interstate 35 allowing easy access
4. Willingness to cost-share with Rice County inmate transportation needs
5. Spreadsheet displaying Net Book Value of Assets to show potential buy-in amount – this would provide Rice County rights to access/use the Detention Center
6. Spreadsheet (Schedule of Past Performances & Future Projected Budget) to show Rice County some different operational cost-sharing scenarios for a joint venture (i.e. what it can be)
7. Emphasize that we are willing to discuss and negotiate the details of any potential joint venture from a joint powers agreement (regional jail authority) to a boarding/housing agreement

Steele County Detention Center
Net Book Value of Assets and Outstanding Debt
For the Year Ending December 31, 2020

Assets	Net Book Value	Totals
Land & Building		
Land	\$ 511,360	
Building (50 year)	<u>7,010,832</u>	
Total Land & Building		\$ 7,522,192
Building Improvements		
Misc Improvements	85,343	
LED Lighting - 2020	164,579	
HVAC Conversion - 2020	4,209,684	
Integrator System - 2021 (est)	<u>1,800,000</u>	
Total Building Improvements		6,259,606
Equipment		<u>225,234</u>
Total Net Book Value of Assets		<u>\$ 14,007,032</u>

Debt Owed as of January 1, 2022				
	Original Building			
	Principal	Interest	Total Payment	
2022	\$ 1,000,000	\$ 58,538	\$	1,058,538
2023	1,025,000	38,538		1,063,538
2024	<u>1,030,000</u>	<u>20,600</u>		<u>1,050,600</u>
Total Due	\$ 3,055,000	117,675	\$	3,172,675
HVAC/LED Project	<u>4,280,000</u>	<u>612,250</u>	\$	<u>4,892,250</u>
	<u>\$ 7,335,000</u>	<u>\$ 729,925</u>	\$	<u>8,064,925</u>

Scenario #1 - Example

\$10 million buy-in @ 2% includes \$3.5 mil for transportation over 10 years

			\$	10,000,000
2022	\$	1,000,000.00	200,000	9,000,000.00
2023	\$	1,000,000.00	180,000	8,000,000.00
2024	\$	1,000,000.00	160,000	7,000,000.00
2025	\$	1,000,000.00	140,000	6,000,000.00
2026	\$	1,000,000.00	120,000	5,000,000.00
2027	\$	1,000,000.00	100,000	4,000,000.00
2028	\$	1,000,000.00	80,000	3,000,000.00
2029	\$	1,000,000.00	60,000	2,000,000.00
2030	\$	1,000,000.00	40,000	1,000,000.00
2031	\$	1,000,000.00	20,000	-
	\$	10,000,000.00	\$	1,100,000.00

Scenario #2 - Example

\$6.75 million buy-in @ 2% over 5 years

			\$	6,750,000
2022	\$	1,350,000.00	135,000	5,400,000.00
2023	\$	1,350,000.00	108,000	4,050,000.00
2024	\$	1,350,000.00	81,000	2,700,000.00
2025	\$	1,350,000.00	54,000	1,350,000.00
2026	\$	1,350,000.00	27,000	-
	\$	6,750,000.00	\$	405,000.00

Steele County Detention Center
Schedule of Past Performances and Future Projected Budget
Cost Sharing by Number of Beds Per County

Revenues	2022 Projected	2021 Budget	2020 Actual	2019 Actual	2018 Actual	2017 Actual	2016 Actual
Steele County Levy Contribution	\$ 2,495,634	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rice County Levy Contribution	1,663,756	-	-	-	-	-	-
Other Revenues	<u>912,810</u>	<u>979,070</u>	<u>760,286</u>	<u>1,092,999</u>	<u>1,509,311</u>	<u>1,345,267</u>	<u>1,551,057</u>
Total Revenues	5,072,200	979,070	760,286	1,092,999	1,509,311	1,345,267	1,551,057
Expenditures							
Personnel	4,483,000	4,310,202	3,799,935	3,664,769	3,657,947	3,727,869	3,420,617
Services & Charges	232,000	225,709	233,431	430,871	493,599	499,325	583,393
Supplies & Materials	355,100	346,000	286,642	331,051	363,790	393,985	405,027
Misc Capital	-	-	34,229	66,903	-	-	122,240
Miscellaneous	<u>2,100</u>	<u>2,000</u>	<u>612</u>	<u>2,045</u>	<u>617</u>	<u>1,810</u>	<u>1,377</u>
Total Expenditures	5,072,200	4,883,911	4,354,849	4,495,639	4,515,953	4,622,989	4,532,654
Net Expenditures Over Revenues	<u>\$ -</u>	<u>\$ (3,904,841)</u>	<u>\$ (3,594,563)</u>	<u>\$ (3,402,640)</u>	<u>\$ (3,006,642)</u>	<u>\$ (3,277,722)</u>	<u>\$ (2,981,597)</u>
Total Beds Available	118						
Guaranteed Bed Contract - Dodge	(5)						
Guaranteed Bed Contract - Rice	(3)						
Remaining Beds Available	<u>110</u>						
Steele County's Beds	66						
Rice County's Beds	<u>44</u>						
Total Beds	<u>110</u>						

Steele County Detention Center
Schedule of Past Performances and Future Projected Budget
Cost Sharing by Population

Revenues	2022 Projected	2021 Budget	2020 Actual	2019 Actual	2018 Actual	2017 Actual	2016 Actual
Steele County Levy Contribution	\$ 1,471,106	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rice County Levy Contribution	2,688,284	-	-	-	-	-	-
Other Revenues	<u>912,810</u>	<u>979,070</u>	<u>760,286</u>	<u>1,092,999</u>	<u>1,509,311</u>	<u>1,345,267</u>	<u>1,551,057</u>
Total Revenues	5,072,200	979,070	760,286	1,092,999	1,509,311	1,345,267	1,551,057
Expenditures							
Personnel	4,483,000	4,310,202	3,799,935	3,664,769	3,657,947	3,727,869	3,420,617
Services & Charges	232,000	225,709	233,431	430,871	493,599	499,325	583,393
Supplies & Materials	355,100	346,000	286,642	331,051	363,790	393,985	405,027
Misc Capital	-	-	34,229	66,903	-	-	122,240
Miscellaneous	<u>2,100</u>	<u>2,000</u>	<u>612</u>	<u>2,045</u>	<u>617</u>	<u>1,810</u>	<u>1,377</u>
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** Counties would share costs based on each counties' respective population as stated in Minnesota State Statute 641.264, subd. 2: Appropriation formula: (1) on the basis of the proportion that the population in that county bears to the total population in all of the cooperating counties, the population figures to be determined by the last previous federal census; or (2) according to a formula mutually agreed upon by all the cooperating counties.

	Population
Steele County	36,649
Rice County	<u>66,972</u>
	<u>103,621</u>

Steele County Detention Center
Schedule of Past Performances and Future Projected Budget
Cost Sharing Split 50/50

Revenues	2022 Projected	2021 Budget	2020 Actual	2019 Actual	2018 Actual	2017 Actual	2016 Actual
Steele County Levy Contribution	\$ 2,079,695	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rice County Levy Contribution	2,079,695	-	-	-	-	-	-
Other Revenues	<u>912,810</u>	<u>979,070</u>	<u>760,286</u>	<u>1,092,999</u>	<u>1,509,311</u>	<u>1,345,267</u>	<u>1,551,057</u>
Total Revenues	5,072,200	979,070	760,286	1,092,999	1,509,311	1,345,267	1,551,057
Expenditures							
Personnel	4,483,000	4,310,202	3,799,935	3,664,769	3,657,947	3,727,869	3,420,617
Services & Charges	232,000	225,709	233,431	430,871	493,599	499,325	583,393
Supplies & Materials	355,100	346,000	286,642	331,051	363,790	393,985	405,027
Misc Capital	-	-	34,229	66,903	-	-	122,240
Miscellaneous	<u>2,100</u>	<u>2,000</u>	<u>612</u>	<u>2,045</u>	<u>617</u>	<u>1,810</u>	<u>1,377</u>
Total Expenditures	5,072,200	4,883,911	4,354,849	4,495,639	4,515,953	4,622,989	4,532,654
Net Expenditures Over Revenues	<u>\$ -</u>	<u>\$ (3,904,841)</u>	<u>\$ (3,594,563)</u>	<u>\$ (3,402,640)</u>	<u>\$ (3,006,642)</u>	<u>\$ (3,277,722)</u>	<u>\$ (2,981,597)</u>

** Counties would split 50/50 the net expenditures after revenues

Steele County 5-Year CIP

Department	Project #	2022	2023	2024	2025	2026	Total
Detention Center							
Roof Replacement	DC-22-001	950,000					950,000
Replace Leaking Windows	DC-22-002	150,000					150,000
Replace Parking Lot	DC-23-001		350,000				350,000
Office Carpet	DC-24-001			10,000			10,000
Lock Replacements	DC-24-002			10,000	10,000		20,000
Kitchen Flooring Replacement	DC-24-003			40,000			40,000
Exterior Wall Wash and Seal	DC-24-004			75,000			75,000
Kitchen Equipment	DC-24-005			25,000			25,000
Water Heater Replacement	DC-24-006			50,000			50,000
Replacement of Plumbing Fixtures	DC-25-001				150,000		150,000
Detention Center Total		1,100,000	350,000	210,000	160,000		1,820,000