



MIDDLE RIVER REGIONAL JAIL

Serving Staunton, Waynesboro, Harrisonburg and
the Counties of Augusta and Rockingham

September 14, 2021, 2:00 p.m.

Finance Committee Meeting
350 Technology Drive
Staunton, Virginia 24401

Finance Committee Members:

Jennifer Whetzel, Augusta Assistant County Administrator
Cameron McCormick, Waynesboro City Finance Director - Virtual Attendance
Larry Propst, Harrisonburg City Finance Director
Phillip Trayer, Staunton City Finance Director
Patricia Davidson, Rockingham County Finance Director (Departed the meeting at 3:04 pm)

Facility Staff:

Jeffery Newton, Superintendent, Middle River Regional Jail
Lori Nicholson, Major of Support Services, Middle River Regional Jail
Jeanne Colvin, Finance Director, Middle River Regional Jail
Beverly Manor, Finance Staff, Middle River Regional Jail
Tyler Moses, IT, Middle River Regional Jail

Others Present:

Davenport & Company LLC; MRRJA Financial Advisors, Ted Cole and Jimmy Sanderson
Hunton Andrews Kurth LLP; Chris Kulp, MRRJA Bond Counsel
Hefty Wiley & Gore P.C.; Jeff Gore, MRRJA Attorney
Misty Cook, Augusta County Fiscal Agent

Mr. Newton welcomed everyone.

1. Approval Minutes July 13, 2021: Mr. Trayer made a motion to approve the minutes from the July 13, 2021 finance meeting. Mr. Propst seconded the motion. Trish Davidson abstained from voting due to absence. Approval was **unanimous**.
2. Review and update on the bond resolution for the renovation project:
 - a. Mr. Kulp reviewed the bond resolution prepared without the Virginia Resources Authority (VRA) financing option. Mr. Kulp noted that the Authority could still consider VRA as a financing option at a later date if all five members decided to move forward with financing the project through bonds. Mr. Kulp stated that four of the five jurisdiction members need to approve the bond resolution for the project to move forward.
 - b. Mr. Gore addressed the Service Agreement that requires 4/5 of the members to approve the resolution as a legal mechanism to comply with the Service Agreement. The Service Agreement does not address one or more member paying cash for their share of the project.
 - c. Ms. Davidson asked why the title of the resolution includes debt financing language and when should we take the resolution back to their boards for approval.

- d. Mr. Newton responded that the real goal of the resolution is to exercise the option for the project cost of \$14.5 million, the financing can be discussed later.
 - e. Mr. Propst asked what happens if 4 of the 5 members decide to pay cash.
 - f. Ms. Whetzel asked when will the Board of Corrections approve the project.
 - g. Mr. Newton commented that we have not gone back to the Board of Local and Regional Jails (BOLRJ) for approval. The MRRJ project has not been placed on the BOLRJ October agenda; Mr. Newton explained that Moseley Architects had to make changes to the Community Based Corrections Plan (CBCP) for square footage changes since the project is significantly different from the original CBCP.
 - h. Mr. Gore discussed the changes to the Service Agreement for Section 5.1C relating to if a member makes a cash payment for the project. Cash payments make changes to the calculation of percentage share. He commented this is the first draft. He stated the Service Agreement only contemplates capital projects to be funded with debt and does not anticipate the project to be funded with cash. Section 5.1 Debt Payment needs a new provision for cash payments and a true up of the final amount
 - i. Mr. Gore also commented that if a member was going to use ARPA federal funds that the Davis Bacon Act could be an issue for the project and this needs to be looked into more.
 - j. Ms. Davidson asked if ARPA money could be cut from the project because other issues come with using ARPA money.
 - k. Ms. Davidson, Mr. Propst, Mr. Trayer, and Ms. Whetzel discussed using ARPA funds for the project and if additional language for capital contributions should be added.
 - l. Mr. Gore stated that if a member was funding this project with ARPA then an agreement between the Authority and the locality with this type of funds be the responsibility of the locality. Any partially funded project with ARPA funds, the Authority will have to comply with Davis Bacon.
 - m. Mr. Newton stated that hopefully this resolution and the Service Agreement revisions will be on the Authority Board agenda in December.
 - n. Mr. Gore, Mr. Kulp, Mr. Cole, and Mr. Sanderson signed off and left the meeting at 2:46 p.m.
3. SAW Health Consortium Membership:
- a. Ms. Colvin provided an update and review of the health insurance policy to be effective January 1, 2022. The policy does offer health insurance for part-time employees who work on average 24 hours per week as an incentive to hire part-time officers. The policy does offer retirement health insurance if you have been employed with the Jail for at least 10 years prior to retirement with no supplemental rates.
 - b. Ms. Colvin stated that open enrollment will be in October.
 - c. Mr. Propst asked if hybrid disability employees are eligible and the stop loss amount.
 - d. Ms. Colvin responded the stop loss amount is \$100,000 and she wasn't aware of any differences for a hybrid employee.
 - e. Mr. Propst asked about the benefits of the consortium buying power.
 - f. Ms. Whetzel commented that by combining employees of Staunton Augusta and Waynesboro it is a larger group for health insurance companies to bid on the health plan.
4. Compensation Board Employee Bonus:
- a. Ms. Colvin stated the Compensation Board is funding a \$3,000 bonus for sworn officer positions. Employees who are hired by October 1 would barely make the requirement of working 231 hours prior to the bonus being paid on the November paycheck. She noted the vacancy savings as a means to offer and pay for the bonus for the non-sworn staff.
 - b. Mr. Trayer asked about the capital reserves of \$1.5 million. Ms. Colvin replied the \$1.5 million in capital reserves is still available.
 - c. Mr. Newton commented that nobody here stopped working including the medical staff and records staff.


- d. Mr. Propst asked if this item was going on the Authority Board meeting.
- e. Mr. Newton responded that we need to amend the budget for the Commonwealth of Virginia extra revenue for the bonus and will be on the October agenda and paid on the November paycheck.
- f. Mr. Propst made a motion to include the budget amendment for additional Compensation Board funds and discuss the civilian cost to be funded from current year vacancy savings saving local funding. Mr. Trayer seconded the motion. Mr. McCormick, Mr. Propst, Ms. Whetzel, and Mr. Trayer approved the motion. Ms. Davidson was absent.

5. Operational Update from the Superintendent:

- a. Mr. Newton updated the committee on the status of COVID positive cases for inmates and staff. He noted that approximately 8% of the inmates coming through intake have been vaccinated and he was pleased to report that almost 60% of staff have been vaccinated. He noted that staff has been working on a plan to provide incentives for inmates to take the vaccine.
- b. He stated staff has been working closely with the Department of Corrections for the transfer of inmates, and we are continuing to prepare to board inmates but probably not likely before January 1, 2022.
- c. Mr. Propst commented that if a staff member tested positive, the employee now has to use leave hours. Mr. Newton stated anyone that tested positive even vaccinated staff must now use their personal leave hours for absences.
- d. Mr. Newton commented that staffing continues to be a challenging issue.
- e. Mr. Newton stated that not a lot of inmates are eligible for house arrest so that population is continuing to drop.

The meeting ended at 3:22 pm.

The next Finance Committee meeting is scheduled for Tuesday, November 16, 2021 at 2:00 pm



Secretary