



COUNTY ADMINISTRATOR  
220 NORTH MAIN STREET, P.O. BOX 8645  
ANN ARBOR, MICHIGAN 48107-8645  
(734)222-6850  
FAX (734)222-6715

TO: Board of Commissioners  
FROM: Robert E. Guenzel  
County Administrator  
DATE: April 21, 2005  
SUBJECT: Response to Public Safety & Justice Proposal Questions

*Note: After you have a chance to review, please notify my office of any additional questions you have relating to the revised Public Safety & Justice proposal. It is anticipated that the discussion will continue on May 5<sup>th</sup>.*

The decision of the Board of Commissioners on the best approach to “fix” the Public Safety & Justice system given limited resources is perhaps the most critical and challenging in some time. It is with great care that I attempt to answer all of the commissioner questions or concerns raised on April 7<sup>th</sup> as a means to provide the necessary information for the best possible decision to be made.

**Per inmate cost comparison with other Counties** – There are many variables that make up the cost of housing an inmate in a county jail. The major variables include:

- Food
- Medical (variables include market costs and service level policy)
- Transport to court and out of jail medical services
- Supervision (depends on inmate management methodology)
- Administration
- Capital/Infrastructure
- Accounting methodology

It is very important to know how cost efficient the jail is operating. To do this, a comparison with industry standards can be done, as well as a comparison with other facilities. It is important to note, however, that these comparisons are not without flaws. Each government body budgets differently, and ensuring each budget contains the same variables can be challenging. Other non-cost related variables affect the cost effectiveness of operations as well such as the age of the facility, the design of the facility, effectiveness of security system, union agreements, quality of treatment of inmates, and level of programming provided for rehabilitation. For example, the design of the facility drives the inmate management structure and therefore level of staffing needed for proper management. The county is currently contacting other jurisdictions to obtain the needed information to put these variables into context to get as accurate a picture as possible on how Washtenaw County’s cost per inmate compares to that of other similar

Counties in the state of Michigan. This information will be presented to the Board of Commissioners as soon as available.

**Future Expansion Needs** – As we all know, Washtenaw County has been operating the jail in undesirable conditions for the past several years as we have been in overcrowding status. The proposal includes the creation of the first new jail housing unit, referred to as a “pod”, creating 96 new jail beds by mid 2007. As stated in the revised proposal, this is far below the anticipated need of the jail as reflected in the original Public Safety & Justice proposal. This first pod was estimated to be roughly a five year solution. As a result, several commissioners requested information on expected future expansion needs, and the related costs. After the addition of the first pod, the new capacity of the jail will be at 428. It is expected that by 2011 the jail will have an ADP above this level, resulting in chronic overcrowding. It is therefore anticipated that one additional 96 pod will be needed at this time. However, in order to construct a new pod, an existing 32 bed pod will need to be demolished. This means that during construction the jail will have a reduced capacity of only 385. As a result, to avoid chronic overcrowding, we project that the new pod is needed in 2009 instead of 2011.

A similar situation will develop for the next round of expansion. Once the first two pods are created, the county jail will have a capacity of 492. But once again there will be a period when 32 beds are lost for construction. This puts the projected need for the third pod at year 2015 rather than 2018. These ADP projections use the same assumptions, such as the continuation of current sentencing guidelines, as were used in the original proposal. It is possible that these variables could change altering the ADP and therefore timing of space needs.

Each of the new pods after the first are the same size and design, resulting in the same cost to construct. This capital cost per pod, in 2006 dollars, is estimated at \$3,548,987. This would result in an annual debt service payment of \$341,918. In addition to capital expenses, new staff are needed for the operations of each pod. It is estimated that an additional 11 FTE are needed to operate each of the second and third pods 24 hours a day, 7 days a week. This adds an annual operating cost of \$1,295,769, for a total annual cost of capital and operations of \$1,663,687. These costs would need to be escalated for inflation depending on the timing of the expansion. An outline of the needs and costs are shown below:

<b>Projected Future Jail Expansion</b>					
<b>Expansion Year</b>	<b>Projected ADP</b>	<b>Construction Cost</b>	<b>Annual Debt Service</b>	<b>Annual Operating Costs</b>	<b>Total Annual Costs</b>
2009	402	3,548,987	341,918	1,295,769	1,637,687
2015	465	3,548,987	341,918	1,295,769	1,637,687

**Assumptions**

- \* All estimates are in 2006 dollars and are not increased for inflationary factors.
- \* Each new housing unit is essentially the same, but the type of bed in each unit may change based on classification needs which could alter cost projections.
- \* Each new expansion will require staffing increase of 11 FTE. Staffing levels will be dependent on inmate classification.
- \* Each new unit will house 96 inmates for a net increase of 64 after the demolition of current 32 bed units.

**Operating Costs** – The revised proposal includes four various components of operating cost enhancements: staff/operations for jail expansion, mental health diversion programming, PRC operations, and staff for Court Security enhancements. The new jail pod is the most significant staff and cost increase. There is an additional 14 FTE needed to staff the new pod 24/7. This is consistent with the level of staff included in the original Public Safety & Justice proposal. In addition, the revised proposal includes an expanded intake/booking area. As this was a revision from the original proposal, new operating costs and staffing levels had to be assessed. The process to determine these operating costs and level of staff needed included the establishment of an internal review group consisting of Gordon Burger, the Director of Strategic Planning & Budget; Greg Dill, Director of Facilities Management; David Behen, Director of Information Technology; Jim Robertson, our external consultant for the jail expansion project; Mike Griebel, our design consultant for this first phase of the project; Kirk Filsinger, the county Jail Commander; Mark Ptaszek, the 14-A District Court Administrator; and other county staff for support. Subsequent individual conversations also took place to gather more data and confirm final figures for the proposal. It was determined that the intake area would require an additional 7 FTE.

The operating costs for the PRC is based on an estimate of the number of clients in the PRC that will not be eligible for State reimbursement. It is believed that State funding for residential care will be capped at current levels, or based on an ADP of 23 clients. With the construction of a new 35 bed facility, it is estimated that 10 of those individuals will need to be supplemented with county dollars. This estimate may vary some as policy decisions are made regarding the appropriate use of the PRC beds to maximize the savings on jail beds. These policy decisions are needed in order to secure commitment from the Trial Court and District Court as to expected utilization. This needs to occur prior to the beginning of renovation of the facility.

The mental health diversion components included in the revised proposal are the same as those in the original, with the exclusion of the Crisis Residential Services. This projected operating cost for a new ACT team are based on staffing levels and costs of an existing ACT team, specialized for the criminal justice system.

Finally, the court security operating costs assume new security staff at the existing 14-A District Court and the Platt Road courthouses. New security equipment will be installed that need to be manned during work hours. These security stations require at least two individuals at all times, with a third being desired to move within the courthouse as needed. This proposal provides costs to cover this minimum level of staffing.

**Inflationary Cost for Operations** – As above, the proposal included operating costs in 2006 dollars. The costs need to be inflated based on when it is anticipated the operations will go into effect. Based on current union agreements and inflation, it is estimated that there will be a 4% annual increase in operating costs. This is the same estimate used in the original proposal. Based on the revised proposal presented on April 7<sup>th</sup>, a total of \$320,000 in new operating costs would be needed in fiscal year 2006, a total new cost of \$2,200,000 in 2007, and \$3,000,000 in 2008. Adjusted for expected annual increases, these numbers adjust to the following over time:

Year	Operating Costs	Mental Health Diversion	Total Operating
2005			
2006	\$320,000	\$0	\$320,000
2007	1,212,800	1,000,000	2,212,800
2008	2,061,312	1,038,000	3,099,312
2009	2,143,764	1,077,520	3,221,284
2010	2,229,515	1,118,621	3,348,136
2011	2,318,696	1,161,366	3,480,061
2012	2,411,443	1,205,820	3,617,264
2013	2,507,901	1,252,053	3,759,954
2014	2,608,217	1,300,135	3,908,352
2015	2,712,546	1,350,141	4,062,687
2016	2,821,048	1,402,146	4,223,194
2017	2,933,890	1,456,232	4,390,122
2018	3,051,245	1,512,481	4,563,727
2019	3,173,295	1,570,981	4,744,276
2020	3,300,227	1,631,820	4,932,047
	\$35,805,900	\$18,077,316	\$53,883,216

It is important to note that the proposal is estimated to be a 3-5 year solution, with capital expenditures financed over 15 years. These operating costs are presented for the full 15 year period as well. The benefits received from these annual operating costs, however, will be realized for as long as the new enhancements are in operation.

**Timing of Mental Health Diversion** – The needed start up time for the expansion of the mental health diversion is minimal. The proposal included \$1,000,000 beginning in 2007 for these program enhancements. This could be moved forward to begin at any point in 2006 if the commissioners so desire. The only impact is that of funding.

**Cost Benefit Analysis of Mental Health Diversion** – A question was raised as to the expected benefit from the new mental health programming. The proposal includes programs based on national emerging best practices, including an Assertive Community Treatment (ACT) program. Studies indicate significant reductions in days of incarceration post admission to ACT. While research is limited, separate studies have shown:

- 17 of 18 study participants remained incarceration free one year after being admitted to ACT;
- Of 41 participants, the average number of days of incarceration dropped from 197 days to 46 days in the year pre and the year post admission;
- A study of 30 participants in Chicago, the number of jail days for all participants dropped from 2,741 in the previous year to 469 post enrollment.

While Washtenaw County does not have the data to fully know the impact these programs will have on our jail, some cost comparisons can be made. The cost of the proposed ACT program equates to \$29 dollars per day in comparison to the average cost per day of \$85 per inmate bed day. While one should not assume that all ACT clients would be in jail if it were not for the ACT supervision and intervention, the ACT approach is a more just alternative to incarceration. If funded, the program will establish clear outcome measures and will track the reduction or avoidance of days of incarceration.

In addition, the annual police training should result in 60 officers trained on how to successfully intervene with the mentally ill and divert them from the Public Safety and Justice System rather than bringing them to jail. For the past 5 months, CSTS has piloted having a pre-booking diversion worker available to respond to calls from police officers. The pilot has been only on a part time basis and has not been widely published due to limited capacity. Nevertheless in 5 months, the diversion staff has responded to 31 calls from police officers. Of 31 responses, only one individual went on to be incarcerated. In all other cases the situation was diffused, the individual was redirected to crisis treatment resources and/or the individual's legal situation was resolved without incarceration. What is important to note is that in each of these 31 cases the officer making the call had received the proposed training. At an average jail length of stay of 15 days and an average cost of \$85 per day, just this limited pilot shows a potential cost offset of \$39,500.

CSTS has applied to the Department of Community Health for a grant to increase the mental health pre-booking diversion position to full time for up to two years. Coupled with trained officers, this pilot shows the potential for widespread impact both in assuring that individuals with mental illness receive appropriate intervention at the incident level, and in reducing avoidable incarceration costs.

**Infrastructure Enhancements to Existing Court Facilities** – As stated above, new security equipment will be added to the existing 14-A District Court and Platt Road. Both of these facilities are outdated and provide security risks. While it is the hope that both of these facilities will be replaced in the future, the security risks provide an immediate liability and concern for the safety of staff and citizens that enter these buildings. In order to retrofit these sites with new equipment, some infrastructure enhancements will need to be made. However, these costs are extremely small compared to the benefits that will be received. For both buildings combined, it is expected that the renovation costs will be less than \$20,000. The equipment being purchased can and will be transferred to new sites as they are brought online.

**Renovation vs. Addition for New District Court** – The total cost for the new District Court at the old HVA building is \$6,523,750 as stated in the proposal. Of this amount, \$1,878,503 is estimated for the renovation of the old site in order to house the court clerk, traffic and administrative functions, as well as provide space for records storage. In addition, \$4,460,613 is estimated for a new addition to the building. This addition will house two new courtrooms, a hearing room, the Judges' chambers, and space for Probation, Prosecuting Attorney and Public Defender. The remaining cost of \$184,634 is the estimated cost for the demolition of the existing 14-A District Court.

A question arose on the need for such a large addition to the HVA building to house all of these functions. The current District Court facility has 12,428 square feet of useable space, including many inadequacies and inefficiencies as the space was not designed for court functions. The

existing HVA facility has 9,594 square feet. The new design also builds in many of the security improvements discussed, including additional space for the separation of victims, defendants and witnesses. While the building will need to be larger, the decreased liability on the county and increased safety of our staff and citizens far outweigh the costs.

**Why Interim Solution with 15 Year Bond Issue** – As stated, this revised proposal is only an interim solution, with a temporary reduction on overcrowding for the next three to five years. However, all of the construction costs go to the creation of new assets, or significant improvements to existing assets. The value gained through these assets will last at least 15 years, with the probability of many more into the future.