

Public Meeting draws large crowd in Bronte

Ninety Coke County citizens were in attendance at the Public Meeting held at the Bronte Community Center Tuesday evening, May 13, 2014. The purpose of the meeting was to provide information regarding the lease and potential sale of the Coke County Detention Center. Coke County Judge Roy Blair was flanked by Commissioners Bobby Blaylock, Gene Montgomery and Gaylon Pitcock as Blair answered questions from the audience in the often contentious meeting.

Following prayer, the meeting opened with a question about the history of the facility. Blair explained how the county sold the facility to the GEO Group following the closure of Coke County Juvenile Justice Center and later attempted to obtain USDA financing to purchase the facility and to reopen the facility as a prison. Blair reported that in December 2012, the GEO Group signed the property over to Coke County to avoid the annual tax burden of approximately \$65,000. He then told how the Texas Jail Commission had rejected the facility as a prison and that the Commissioners Court had to look for other avenues. He continually stressed how the men on this Court only wanted to get the facility back on the tax roll.

Judge Blair discussed Michael Croft and the company he represented, Stellar Solutions. Stellar Solutions was hired by Coke County as a consulting firm to try to purchase and reopen the prison. The contract with this firm was dissolved on April 17, 2013, following the Jail Commission's decision. However their consultant, Michael Croft, maintained an office in the Coke County Courthouse until late April 2014. Although audience members questioned whether the consultant had been able to manipulate the situation or influence the court, Judge Blair emphasized that Michael Croft had nothing at all to do with any decisions made regarding the disposition of this facility. Croft was asked to vacate his office and turn in his keys to the Courthouse after Blair was told he was working for the company, Garrison General Contractors, LLC, who had signed the lease agreement on the facility. The contract was executed on April 21, 2014, with an effective date of May 1, 2014.

When questioned by former Bronte mayor, Martin Lee, on accepting the prison back from the GEO Group, Blair explained they felt, at the time of the transfer, that it was basically a gift of \$3.2 million dollars toward a new prison. He went on to say that the GEO Group would have probably defaulted on the following year's tax payment. Lee argued the point, saying the GEO Group was such a large corporation that they would not have defaulted on the payment because it would have been damaging to their reputation and stock price.

Following this exchange, many questions were fired at Blair regarding the new lease on the prison and the reason for a lease rather than a sale of the facility. During this line of

questioning, it came out that the Commissioners Court could have ordered an appraisal in the spring of 2013 following the Jail Commission's rejection. They then could have listed the facility at that price with a Multiple Listing Service (MLS) member real estate broker. Most people know MLS listings by the website Realtor.com. It is a nationwide database of listings readily available to potential buyers. However, the Commissioners Court did not take this avenue.

Below are excerpts from Commissioners Court minutes where the facility was mentioned.

• May 28, 2013 - "Michael Croft reported on the workshop on housing for oilfield workers that he and Judge Blair attended at Colorado City. There were about 50 in attendance and a group of investors from San Antonio were interested and visited the center. They are waiting to hear from them."

• June 24, 2013 - "Michael Croft reported that he has had several meetings with the San Antonio group and that he, Judge Blair and Commissioner Montgomery will have a work session with the group. Judge Blair reported that this is a fact finding method, just to look at options that will be beneficial to Coke County."

• July 8, 2013 - "Judge Blair reported on the meeting with a Georgia Company that is interested in the facility. Michael Croft reported on the San Antonio Company that is interested and stated that it is progressing along and that they may have another work session."

• July 22, 2013 - "Judge Blair reported that the Court has to give approval for a Court person to develop and issue a Request for Proposal (RFP) for the lease and development of the Coke County Detention Center. Commissioner Lee made a motion to authorize Judge Blair to prepare the RFP. The motion was seconded by Commissioner Pitcock. The motion carried."

• August 12, 2013 - "Judge Roy Blair has an RFP draft for two companies that are interested in the Detention Center."

• March 10, 2014 - Following a request by Judge Blair, Coke County Appraiser provided a revised appraisal for the facility dropping the value to \$686,840. This value was also confirmed by an outside appraiser.

The decision the Court made to handle the facility was to issue a Request for Proposal to Lease or Lease/Purchase instead listing the facility with an MLS broker for an outright sale and return to the tax roll. Judge Blair relayed to the audience that the only publication the RFP was advertised in was *The Observer/Enterprise* and published on August 16, 2013. The RFP was also mailed to two companies - the one in San Antonio and a northern company. Both of these companies were first encountered by Blair and Croft at the workshop in Colorado City, according to Blair. The RFP was posted on August 16, 2013, and closed only 21 days later. At that time, only the San Antonio company submitted a proposal.

Following several months of



negotiation with this firm, Garrison General Contractors, LLC, a lease agreement was signed and took effect Thursday, May 1, 2014.

Members of the audience were extremely concerned about the specifics of this lease. Some of these concerns are listed below.

• The lease for this expansive property is very low, starting at \$1,125 per month and topping out at \$3,625 per month.

• There is only a termination clause for the tenant and not the county.

• The Lease Agreement states the county will now list the property for sale with a MLS broker. Why now and not before?

• Because of this lease, the county will fail to locate a willing buyer other than the company who has the lease. What buyer would want to purchase a property tied up for 2 ½ years in a lease so low the buyer's monthly expenses on that property would not be met? What buyer would want to tie their capital up for 2 ½ years without being able to use the purchased property?

One audience member had a question about a specific clause in the contract and Coke County's liability. Judge Blair did not provide an answer, expressing the need to consult with the attorney who drew up the lease for the county. The portion of the clause in question is below.

• For all improvements whose contract price exceeds \$25,000, Tenant's contractor must provide payment and performance bonds each in the amount of 100% of the cost of the construction, with the Landlord (Coke County) named as a **co-obligee** on the bonds with the Tenant.

Another audience member asked if County Attorney Nancy Arthur was the attorney the county used to draw up this lease. Blair related the county had used a firm in Austin for this transaction.

Many audience members were concerned with our county's water situation and the failure of the Garrisons to disclose their intentions for the property. Mayor Gerald Sandusky and three Bronte City Council

members were in the audience. Because of a walking quorum and laws governing open meetings, Sandusky and the council members were limited in what they could legally discuss. However, currently the water is turned off to the facility which sits just outside the Bronte city limits.

Another county citizen asked Judge Blair if Commissioners Court meetings could be held in the evenings so working members of the public could attend. Blair stated they had no plans to change the meeting times.

Throughout the meeting, members of the audience made clear that they were in favor of economic development in the county as long as the elected officials kept the public informed of the developments affecting the communities.

One of the final comments by a citizen expressed her frustration with the legally binding contract and chided the Commissioners for committing Coke County to this contract and not keeping the public informed before it became a reality.

PROCLAMATION

WHEREAS, the Longhorn Track Team earned the title of State Champions last weekend in Austin; and

WHEREAS, this has been an exciting, hard-fought, and successful season; and

WHEREAS, our city is proud of their accomplishments and the fine publicity that they have brought to our community by their good sportsmanship and inspired team effort; and

WHEREAS, the Longhorns, Coach Kevin Burns and his coaching staff, have proven to be a source of admiration and inspiration to the citizens of our City; and

Now, therefore the Bronte City Council congratulates the Bronte Longhorn Tract Team, Coach Burns, his staff and everyone associated with the Team for their outstanding accomplishments.

IN WITNESS Whereof, I do hereby set my hand, and cause the Corporate Seal of the City to be affixed this 14th day of May, 2014.

Gerald Sandusky, Mayor