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2200 Camp Branch Road
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Subject: Davenport announces Detention Center will cost \$21.5 Million + \$10M New Library + New HCC...

Ted Cole of Davenport & Company casually announced at the last county commission meeting during the Administrative/Agency Reports/Presentations portion of the agenda showing slides of tiny numbers that no one could see, that:

“The County has identified the following capital projects as near-term priorities that could be funded within the next year:

– **County Projects**

– Detention Center: The County is planning to expand its existing Detention Center Facility. Moseley Architects is serving as the architect, and the project is anticipated to be bid in the Spring of 2023. The total estimated cost of the expansion is \$19,796,315. For purposes of this analysis, the project is estimated at **\$21,500,000**.

– Library: The County is considering a renovation of the existing library to occur as early as Spring of 2024. For purposes of this analysis, the renovation is assumed to cost **\$10,000,000**.

– **Community College Projects**

– Haywood Community College has identified a need to construct a new General Education and Early College Building for a total estimated cost of **\$37,220,000**. For purposes of this analysis, the financing is assumed to occur in the Spring of 2026.

WTF?

Who is Davenport in the first place? It appears that the County has hired a high-priced Financial Advisor Company to analyze how to deal with debt. In the past, this is something that the past Haywood County Finance Director, **Julie Davis**, could do in her sleep. Now we have a Finance Director, **Kristian Owen**, that cannot come up with a single calculation for a Revenue Neutral Tax Rate. No wonder the County has to go out and hire someone else to do this analysis. Looking up Davenport on LinkedIn:

About us

As a full service Financial Advisor, we believe funding capital investments does not begin and end with a particular debt financing vehicle. Rather, we emphasize working with our clients at the beginning of the planning process through the use of comprehensive modeling and analytics.

Using customized financial models, thorough research of our client’s operational and capital needs, perspective gained from decades of interaction with the credit rating agencies, direct experience with public markets and direct lending through banks, we help our clients develop the road map for multi-year strategic financial planning through transaction execution and post-closing.

Davenport & Company LLC is a Registered Municipal Advisor, a member of the New York Stock Exchange, the Financial Industry Regulatory Authority (FINRA), the Securities Investor Protection Corporation (SIPC), and is a Registered Investment Advisor under the Investment Advisers Act of 1940.

Who is Ted Cole?

Ted Cole

Senior Vice President and Manager of Public Finance

Ted Cole has served as Municipal Advisor to local government clients in the Mid-Atlantic for over 20 years at Davenport and leads the firm's North Carolina public finance practice. Mr. Cole has assisted local governments and utilities throughout Virginia and North Carolina with a wide range of transaction, capital planning and credit rating interaction. Mr. Cole received his undergraduate degree from the University of Virginia and an M.B.A. from the University of Richmond.

What's going on here?

It would appear that the county has hired Davenport to:

- Announce new projects
- Come up with a financial analysis projection for the County to soften the blow for new projects
 - $\$21.5M + \$10M + 37.22M = \$68.72M$

Whoa. Let's check out these new numbers project by project...

Detention Center.

Remember back on 7/24/2020 when Jeff Haynes introduced the Moseley Architect Plan for a New Detention Center? The projected cost was \$16,422,804.22. On www.haywoodtp.net

[Review of Jail Needs Assessment - Chief Deputy Jeff Haynes; Moseley Architects Vice Presidents Todd Davis, Sr. and Dan Mace; Captain Glen Matayabos, 11/2/2020 County Commission meeting, Administrative/Agency Reports/Presentations. 11/2/2020. 12/8/2020...](#)

Then on 6/6/2022, county commissioners gave Moseley \$1,985,000.

[County Commissioners approved \\$1,985,000 to Moseley Architects for architecture and engineering services for the proposed Detention Center \(New Jail\) on 6/6/2022. Here is the result for nearly \\$2 Million. \(More Missing Millions?\) 6/6/2022. 10/18/2022...](#)

Davenport announced the project is now \$21,500,000. Does that include the \$1,985,000? Does that include possibly moving into the area of the current garage and the trash drop off service center adjacent to the Sheriff's Office? If so, has the cost of replacing those facilities and locations be factored into this \$21.5M cost?

There has to be a point in time where you step back and re-examine this whole thing. The justification for the new detention center was based on overflow of the current facility, and having to pay money to other county's to house the overflow. At what point does that become moot?

\$16.4M

\$21.5 + \$2M

\$30M

\$40M

\$50M

I don't know, but each new estimate of the detention center is increasing almost exponentially, and the county has not even received the first bid. It is a question county commissioners will need to ask.

New Library.

This has been a pipe dream for **James Weaver “Kirk” Kirkpatrick the III** ever since he was appointed to sit on the Library Board.

Remember when the Library Renovation was \$4M, then \$6M, then \$8 - \$10M, finally \$10M? On www.haywoodtp.net

[Haywood County Public Library \(The Center of the Universe of Haywood County!\) presentation to commissioners at the 4/12/2016 Budget work session. Only \\$4 Million Dollars. That is after the \\$5 Million for the Mark and Susan Swanger Memorial Glorified Dog Pound, and after purchasing CES for \\$3.3 Million \(plus remodeling costs\). Finally, money will be available to go towards Haywood County School kids. 4/12/16. 8/13/2016...](#)

[Haywood County Public Library Strategic Plan \(DRAFT\). An estimated \\$6 Million project \(page 36\). 6/02/2017. 6/10/2017...](#)

[Haywood County Public Library Survey #2 Results. 714 responded out of 4500 surveys. 58% want new Property Tax to support improvements. Kirk Kirkpatrick indicated the county is in the hole -\\$1.3M already this year due to lower property Revaluation. 4/11/2017. 4/13/2017...](#)

[Haywood County Budget Overview, Presented May 2, 2021 \(Got the year wrong - presented yesterday\). Jail Expansion + 8 pickle ball courts + \\$8-10M Library Renovation + etc., etc., etc... Hang on to your wallets! 5/2/2022. 5/3/2022...](#)

[Detention Center Capital Planning Discussion - Davenport & Company, Senior Vice President Ted Cole. 1/17/2023. 1/18/2023...](#)

Tell me again, why do we need to spend \$10M on improving the Library?

HCC General Education and Early College Building for \$37,220,000.

Sorry, don't have any information on this project yet, but one thing you can be sure of, it is the last time you will see the cost estimate of \$37,220,000. We all remember the Creative Arts Building debacle.

Where your wallet meets the road.

Difficult to find in this presentation is how much is the county going to soak you, i.e. increase the property tax rate. Here we go..., from the mouth of TedCole.

- Detention Center - 1.7 cents / \$100
- Liberry - .9 cents / \$100, for a grand total of 2.6 cents / \$100

Monroe A. Miller, Jr.

a.k.a. The Pillsbury Dough Boy

a.k.a. The Six Million Dollar Man (\$6M now seems like round off error)

Haywood County Taxpayer