By Kenneth Welch - Founder Open Government in Blanco County Texas; https://www.opengovernmentinblancocountytx.org October 20, 2024

More Legacy Spending By Your Commissioners Court - The Old Jail Story -

Rehabilitation of the Old Jail *circa* 1894 has recently been completed along with a new two story office structure. It looks great, but at what expense and why did they do it?

Background:

In 2011 the county completed their current Law Enforcement Center (LEC), providing a new compliant jail with office space for all supporting personnel and allowing the closure of the Old Jail, built in 1894. An addition to the south side of the Old Jail, which had been used as the Sheriff's office, was converted to space for the Adult Probation office. In 2019 the Adult Probation office was relocated to the newly completed Community Resource Center (CRC), wherein the county began paying for janitorial services for all of the CRC in lieu of rent. For years, following the Old Jail closure, the community and the Commissioners Court discussed what to do with the building. As they talked, the structure continued to deteriorate. There were constituents who wanted a museum and there were groups that wanted a visitors center. There were voices calling for the county to sell or lease the building for private use. Repeatedly, lack of consensus and lack of funding delayed action for maintenance and/or rehabilitation.

In 2010 the county opened the North Annex on the north side of the Johnson City square, providing excellent office space for county employees and court business for years to come. That facility allowed the county to relocate employees from the former Annex on the east side of the square which was later sold. In 2018 the County completed the rehabilitation of the South Annex in Blanco to provide needed space and court facilitates in Blanco.

Each project was needed due to the age, capacity and condition of the facilities and were intended to fill Blanco's building needs far into the future. Only the County Courthouse in Johnson City was permitted to continue deteriorating without a long term commitment to rehabilitate it.

Construction Spree Ensued:

July 2021 On July 13, 2021 the Commissioners Court began discussion of a second South Annex expansion. Just three years after Commissioner Weir championed and assumed oversight of the 2018 expansion, the building needed expansion again. Upon opening in 2018 Judge Bray said "the county could not have had a more capable architect or efficient and responsive contractor". Randy Fromberg, an Austin Architect, and Kendnel Kasper Construction Co. (KKC), were contracted for the first expansion project. As Tommy Weir made the proposal to seek a contractor to create a preliminary concept plan for the second expansion, Judge Bray suggested that a project to rehabilitate the Old Jail for additional office

space should be evaluated as well. Referring to the Old Jail, Judge Bray said, "I think we are worn out trying to find someone to occupy it. This is an opportunity; we should do some work on it ourselves and we are getting tight on space". The discussion also centered on the possible use of the additional space, with a great deal of questioning about how much was needed and who would occupy the space. The commissioners also entertained the possibility of renting any excess space.

Based on Tommy Weir's recommendation and Judge Bray's strong support, the Commissioners Court authorized Tommy to find a company to prepare concepts for both facilities.

[Q: Why didn't the County utilize a common practice of issuing a Request For Proposal (RFP) to secure professional services to represent the County on evaluation of concepts, designs, bid analysis, and project oversight?]

On July 26, 2021 Judge Bray received an email from the City of Johnson City expressing interest in creating a museum / visitors center out of the Old Jail. When discussing this exchange in the Commissioners Court meeting on July 27, Judge Bray said that the City had expressed interest in participating financially in such an arrangement. He also stated, "I told them I have no interest in the museum and pretty much no interest in a visitors center".

[Q: Why did Judge Bray unilaterally reject the proposal from Johnson City to share the cost of upgrading the Old Jail for a use that had long been the desire of many county residents? The County had made no financial commitment to make any changes to the Old Jail when he received the City's inquiry on July 26.]

Pct. 1 Commissioner, Tommy Weir's Selection Of Architect:



On Aug.10, 2021 SLS Partnership, a Kerrville Architect, who had been contacted by Commissioner Weir, was introduced by Judge Bray. Neither Judge Bray nor Tommy Weir justified the selection of SLS over the previously used, and highly capable architect who had designed the 2018 South Annex expansion. The only explanation for the choice was offered by Judge Bray when he said, "we have, I am going to say, been blessed because they are likable people".

SLS Partnership, Inc. (SLS) is an Architectural firm located in Kerrville, Texas.

Tommy Weir, Pct. 1 Commissioner, was given authority to find a company to provide professional services to develop concept plans for the Old Jail Rehabilitation and expansion of the Blanco County South Annex. He had worked closely with Kendnel Kasper Construction Co.(KKC), on the previous South Annex expansion in 2018. KKC's headquarters are in Kerrville, Texas.

KKC and SLS offices were conveniently located 2 miles apart in Kerrville and they would later work together on several Blanco County projects.

SLS was engaged to design and oversee the Old Jail and South Annex projects on August 10, 2021. Judge Bray said, "We have, I am going to say, been blessed because they are likable people" when he announced that Commissioner Tommy Weir had found SLS.

SLS presented concept plans for both the South Annex and the Old Jail rehabilitation. The Old Jail concept included a new two story office building south of the historic jail.

During the discussion, Judge Bray queried SLS regarding the reliability of their estimates. SLS described the estimated cost by saying "these are very safe numbers"...they "are inclusive of everything"..."analysis, inspections, engineering, environmental reports." When asked about their track record and how many times their projects are over the estimate SLS responded, "1-2%, the numbers you have are very, very conservative". Later SLS explained their estimation process and again reinforced the accuracy of the estimates when Judge Bray said, "that is why your numbers are, what did you call them?" and SLS responded, "they are high".

SLS indicated that it would take approximately 12-14 months to construct the Old Jail complex, not including design time.

Judge Bray proposed to finance \$1,400,000 in the upcoming budget to expand the Blanco Annex and rehabilitate the Old Jail. SLS's estimate for the Old Jail complex was \$1,137,000.

The Commissioners Court authorized a contract with SLS to proceed with the design, engineering, and management of the Old Jail complex and the South Annex expansion projects. They then authorized the County's financial advisor to seek the financing for both projects.

The Old Jail Project begins:



Following the August 10 meeting, Judge Bray executed a fee for services contract with SLS to design and manage the engineering and construction of the Old Jail complex for an estimated \$126,000.

On August 24, 2021 the County approved financing for the project using Tax Notes which require the levying of an ad valorem tax to pay

Tax Note: Short-term debt issued by a state or local government to raise money for a public project. It is secured by projected future tax collections. They do not require voter approval.

the notes. After Judge Bray's comments that the County was "getting tight on space", he questioned the financial consultant, "If space is available and the county could make a little bit of money they might want to rent the space". The financial consultant advised that the favorable rates provided to governments would not likely be available for a facility for commercial use. Apparently Judge Bray recognized the significant amount of space being added at the South Annex and the Old Jail complex was more than the county needed.

The Contract And The Kerrville Connection:

Sept. 2022 Thirteen months later, upon approval of the completed design for the Old Jail complex, bids were received for construction. On Sept. 13, 2022 SLS presented the bids to the Commissioners Court. The discussion between SLS and Judge Bray revealed that the lowest bid had come in significantly higher than the amount estimated. At that time Judge Bray said, "I don't think it's going to be a problem". The contract with Kerrville contractor, Kendnel Kasper Construction

Co.(KKC), was approved for \$1,550,000. Judge Bray signed the contract on Oct.14, 2022. The KKC contract, alone, was 36.3% higher than the original SLS estimate of \$1,137,000, which included the SLS design, engineering, and management costs. Work was to begin on Oct. 17, 2022. The contract allowed 240 days to complete the project. No penalty for failure to complete the project on schedule was included in the contract.

Kendnel Kaper Construction, Inc. (KKC) is a General contractor located in Kerrville, Texas. KKC had previously constructed the 2018 expansion of the South Annex in Blanco. The project was designed by an Austin Architect under the direction of Blanco County Commissioner Tommy Weir. Based on Tommy Weir's experience with KKC and SLS's relationship with the Kerrville company, they were invited to bid on the Old Jail complex.

[Q: Why was no daily penalty charge included in the contract for failure to meet the completion deadline?]

During the thirteen month period (Aug. 2021-Sep. 2022) between authorization for SLS to design the Old Jail complex and awarding of the construction contract, other projects for design, engineering and management were added to the work load for SLS.

- First, the South Annex expansion in Blanco was underway with an opening anticipated prior to Nov. 2022.
- Second, SLS was contracted on Sept. 14, 2021 to design extensive Improvements to the County Fairgrounds. A construction contract on that project was later also awarded to KKC. That project was described in my Fairgrounds article dated Aug. 6, 2024.
- Third, an evaluation and design of remedial work on the roof structure of the County Courthouse in Johnson City was started on Oct.18, 2021. No bids were sought or construction contract awarded. That project will be described in a future article.
- Fourth, on April 26, 2022 SLS was contracted for design, engineering and management work on a new EMS #1 / Star Flight helicopter facility. A construction contract was later awarded to KKC. That project is currently nearing completion and will be the subject of a future article.

[Q: With the exception of the South Annex construction, all active projects in the County were designed and managed by SLS and were constructed by KKC. Commissioner Weir lobbied hard for KKC to be awarded the contract for the South Annex even though it was not the low bidder. Is the Kerrville connection between Tommy Weir, his chosen Kerrville Architect (SLS), and the Kerrville construction company (KKC) merely coincidental?]

On Nov 11, 2022 Judge Bray and Tommy Weir advised the court that unforeseen conditions in the Old Jail structure would increase cost again. Tommy Weir was selected to investigate the costs. State Historical Commission requirements required that the building be restored to as close as possible to the original. The

jail originally had a flat roof instead of a hip roof. The work would need to return it to a flat roof.

Pct. 1 Commissioner, Tommy Weir Assumes Oversight Role:



In March, 2023 the Commissioners Court relieved SLS of it's oversight responsibility on all projects currently under construction. Tommy Weir assumed the responsibility for oversight of the Old Jail project on behalf of the County. Work on the project continued for an additional fourteen months with Tommy Weir responsible for all required inspections, authorization of all change orders, and approving all invoices for payment.

Assuming oversight was intended to save money on the projects, excessive SLS costs were thus eliminated. However the oversight of KKC would now fall to Tommy Weir. In Court discussions KKC was asked "Do you feel that Kendnel Kasper will work directly with Blanco County, project management wise and taking on the roles of the projects?" Judge Bray commented to KKC, "You have been on multiple projects...You're highly regarded as a trusted partner...You enjoy a bit of credibility and a bit of appreciation...It appears even though you're a contractor and your job is to make money, it appears you have our interest in mind".

After Judge Bray announced that additional funds were needed to complete all the ongoing projects, Commissioner Liesmann noted, "all these projects have been coming in over budget". The responsibility for the quality control of all aspects of the work would now fall to Tommy Weir. Regular inspection reports have not been provided by the County and Tommy Weir's detailed knowledge of plumbing, electrical, HVAC, and other construction specifications and building codes has never been established. The reduction of SLS cost may yet be offset by construction quality oversights exposed in the future. This appears to be a fox guarding the hen house wherein KKC makes all purchase, installation, and inspection decisions with no qualified oversight representing the County?

Project Completion and Final Accounting



The project was completed in June, 2024, at least 348 days beyond the contracted completion date.

In the July, 2024 edition of <u>County Magazine</u> the Old Jail complex was described by both Tommy Weir and Judge Bray. It was stated that "the total renovation of both buildings cost the county about \$740,000, which is paid for with a tax note".

Construction of the new office complex took far longer than anticipated and cost far more than originally discussed. It also cost far more than the figure provided to <u>County Magazine</u>. Construction of the project took over 19 months compared to a 12-14 month estimate from SLS. Based on invoice information provided by

the County¹, the cost was over **\$1,630,247**, 43.4% more than the original SLS estimate of \$1,137,000. SLS had declared their estimate "very, very conservative".

[Q: Did County Magazine misquote Judge Bray and Tommy Weir or were they misled about the cost? Were Judge Bray and Tommy Weir aware of the actual project costs? If not, why not? Were inspections completed prior to invoice approvals and was Tommy Weir aware of issues and costs when he assumed the project management responsibility?]

Unfortunate or Lucky?

While almost three years passed before completion of the Old Jail project, no attention had been placed on the failing roof structure of the County Courthouse in Johnson City. In June 2024 the roof structure was finally evaluated for the second time. It was found to be unsafe. In a stroke of luck, all staff in the Courthouse were able to relocate to space in the Old Jail complex, the 2010 North Annex, and rental space in the former Annex on the east side of the square. Due to the emergency nature of the Courthouse roof, new Architect and Engineering firms were selected to evaluate and again design repairs. A contract has been awarded without the benefit of competitive bids.

The late and overly expensive Old Jail complex has permitted the County to avoid the need for additional rental space associated with a possible catastrophic roof collapse and potential injuries. Unfortunately, the cost for a second evaluation, design, and repair might have been avoided had action been taken earlier. All County staff are still displaced while work is stalled. A future article will reveal the Courthouse roof drama.

Summary:

Safety Concern: The management decisions made by the Commissioners Court to rapidly increase office space in Blanco County before addressing the safety issues in the County Courthouse reflect misguided priorities of County leadership. Conditions at the Courthouse were well known and specific safety precautions were documented prior to execution of the construction contract for the Old Jail. Those safety precautions were ignored!

Cost Concern: Cost management did not appear to rank high with Judge Bray or the Commissioners Court. When bids for the construction exceeded the estimate and the financing, Judge Bray's reaction was, "I don't think it's going to be a problem". This project and others in Blanco County repeatedly reveal that "a problem" would only be for tax payers who see higher property taxes to pay the increased debt. The County has repeatedly issued Certificates of Obligation and Tax Notes without voter approval.

Long Term Planning Concern: Blanco County has no long term planning process to forecast and manage County needs for large infrastructure projects. The Commissioners Court seems to have a thirst for expensive facilities as shown by the rapid construction

¹ Actual invoices for this project are unavailable due to lack of access to files during emergency status of the County Courthouse. Costs provided are based on computer printouts reflecting charges paid as itemized for the project. Costs shown are believed to be accurate but may not be complete.

spree. The facilities being added serve the needs of the staff very well but add little to address the needs of the public. The buildings receiving construction priority form a very visible legacy for Judge Bray and the Commissioners Court. However, financing the projects continues to put pressure on taxpayers while upgrades to roads and bridges used daily by the public continue to be underfunded.

Project Management Process Lacking: Although access to all records related to this project have not been provided by the County due to the current emergency situation, it is apparent that weaknesses in construction management are significant. A bidding process that consistently results in contracts with the same company, even when they do not have the capacity to meet contract deadlines, is highly questionable. The county has an auditor whose responsibility is limited to accounting records and data for budget formulation. A construction audit is more revealing and should be utilized on large projects. A construction auditor would improve the integrity of procurement processes and contract terms while allowing review of internal contractor records to ensure full compliance.

Leadership Expertise Lacking: Projects of this nature demand oversight by qualified professionals that are familiar with all aspects of such projects. Being an elected official, such as Tommy Weir, does not equate to professional knowledge. Utilizing appropriate procurement processes would ensure qualified designers and contractors as well as competitive pricing throughout the projects. And with professional oversight and agreed upon processes the appearance, and reality, of conflicts of interest may be avoided. The concept of trust-but-verify seems to have been abandoned by Blanco County when oversight was transferred to Tommy Weir.

The Old Jail complex was originally conceived and planned for a cost of \$1,137,000 and it has cost Blanco County taxpayers over **\$1,630.247** without public input or voter approval.



NOTES:

- 1. Red italics represent thoughts and questions of the author.
- 2. Project records requested but **not received** include:
 - a) Invoices from all contractors (plumbers, electricians, building inspectors, IT providers, landscapers, equipment rentals, etc.)
 - b) Copy of all change orders approved
 - c) Correspondence between the County, Architect and the Contractor
 - d) All inspection notes
 - e) Certificate of Substantial Completion
- 3. General Ledger printouts provided reflect accurate project costs allocated to specific funding sources but may not capture all county expenses not specifically noted as an Old Jail expense (landscaping charges, county labor, etc.)