

**CHELAN COUNTY COMMISSIONERS
MINUTES OF SEPTEMBER 2, 2008**

TUESDAY, SEPTEMBER 2

9:09:08 AM OPENING AND PLEDGE OF ALLEGIANCE:

Chairman Hawkins opens session with Commissioner Walter and Commissioner Goehner in attendance. Also present for session are County Administrator Cathy Mulhall and Clerk of the Board, Janet Merz. Clerk leads in the Pledge of Allegiance.

9:10:06 AM APPROVAL OF MINUTES:

Moved by Commissioner Walter, seconded by Commissioner Goehner and carried unanimously that the Board approve the minutes of August 25, 26, 2008.

9:19:27 AM CONSENT AGENDA:

Moved by Commissioner Goehner, seconded by Commissioner Walter, and carried unanimously that the Board approve the following action items (**adding**) items (**i**) and (**j**) and (**k**):

- Vouchers as submitted and listed
- Payroll changes:
 - a) Gary Kraus, Public Works, Length of Service Increase
 - b) Jennifer Latimer, Regional Justice Center, Length of Service Increase
 - c) Donna McCrain, Regional Justice Center, Length of Service Increase
 - d) Murray Craig, Regional Justice Center, Length of Service Increase
 - e) James Highfill, Regional Justice Center, Length of Service Increase
 - f) Glenn LaRocque, Expo Center and Fairgrounds, Extra Help Resignation
 - g) Carriann Shae, Public Works, Layoff (Work Ended)
 - h) Elections Extra Help, Temporary Hire Rate Increase
 - i) (**Added**) Kathy Hammond, Auditor, Hire, Extra Help
 - j) (**Added**) Kristi DeLozier, Community Development, Out of Class Pay
 - k) (**Added**) Lilith Yanagimachi, Community Development, Out of Class Pay

9:21:39 AM BOARD DISCUSSION:

- Butler Road Project Update
- Jail Partnership Meeting – Chelan County will listen to the presentation today. Commissioner Hawkins shares that the current organizational structure needs to be changed. Chelan County is not happy with it and neither is Douglas County or the City of Wenatchee. We need something like RiverCom and the RCW will not allow us to do that. Commissioner Walter feels that the City of Wenatchee and Douglas County can walk away today with an agreement that gives them certainty as to availability of space for a certain period of time. A commitment of five years and in that time for counties to work

on a truly regional jail concept and we would have to get the legislation to get the partnerships to feel the current situation is unfair. That is the model that Commissioner Walter can commit to. The cities of Chelan County need priority of bed space as long as it is available in this location. Paying for bed space that includes transportation costs which Commissioner Walter has been endorsing and a surcharge that takes into consideration for the Bond for Chelan County and improvements that are at hand now and additional charge such as an ER&R fund is the model of what the mayor has put forth. All this is what the director and financial department have been working on. Commissioner Goehner would like to shorten the time frame. Cities would have priority and not rent out unless space is available. We have to be able to recoup our costs as we are responsible to the tax payers. Commissioner Hawkins states we have to raise our bed rental rates. The process for the figure is discussed.

9:50:11 AM ADMINISTRATIVE AGENDA

County Administrator, Cathy Mulhall

DISCUSSION ITEMS:

1. Computer Equipment Disposal Event – It is **consensus** of the Board to dispose of surplus 2008 equipment at the Computer and Electronics Recycling Collection Event on October 3, 2008. The County will create a line item to continue the practice in the future.

9:59:33 AM EXECUTIVE SESSION:

Moved by Commissioner Goehner, seconded by Commissioner Walter, and carried that the Board move into five minute executive session pursuant to RCW 42.30.110(g) regarding the performance of a public employee.

10:03:39 AM REGULAR SESSION:

Board resumes regular session.

10:03:39 ADMINISTRATIVE DISCUSSION ITEMS CONTINUE:

2. Civil Service Examiner Position/Duties
3. Executive Session Regarding Labor Negotiations
4. Administrative Issues
 - Sheriff's Marine Patrol Boat Bid Award

10:20:07 AM ACTION ITEMS:

Moved by Commissioner Walter, seconded by Commissioner Goehner and carried unanimously that the Board approve the following action items (**adding**) items **1(b)**, **1(c)** and **1(d)**:

1. Contracts

- a) FY09 Wireline/Wireless State Enhanced 911 Funds Contract #E09-043
2008A5-185
- b) (**Added**) Interlocal Agreement between Chelan County and East Wenatchee for Juvenile Detention Services
2008A5-186

- c) **(Added)** Contract Amendment with Beaman Architecture regarding Chelan County Fire Alarm and Public Address Upgrades in the Amount of \$15,680.00
2008A5-18
- d) **(Added)** Contract with Beaman Architecture for Additional Hazardous Materials Survey Services for the Chelan County Administration Parking Lot in the Amount of \$1,765.00
2008A5-187

10:21:29 AM EXECUTIVE SESSION:

Moved by Commissioner Goehner, seconded by Commissioner Walter and carried that the Board move into nine minute Executive Session Pursuant to RCW 42.30.140(4) Regarding Labor Negotiations.

10:30:34 AM REGULAR SESSION

Board resumes regular session.

10:30:34 A.M. BOARD DISCUSSION CONTINUES:

- Sheriff's Marine Patrol Boat Bid Award

10:32:04 AM BID RECOMMENDATION:

One bid was presented on August 25, 26, 2008. After review by the Sheriff's Department insuring that bids meet specifications, it was recommended that the Board accept the bid proposal from North River Boats, Inc. as lone bidder at \$ 63,944.59.

10:32 A.M. BID AWARD:

Moved by Commissioner Goehner, seconded by Commissioner Walter, and carried that the Board award the bid for the Marine Patrol Boat to North River Boats (Almar) at a bid amount of \$ 63,944.59.
2008B1-65

10:32:41 AM 10:30 A.M.NATURAL RESOURCES DEPARTMENT

Mike Kaputa, Natural Resources Director

DEPARTMENTAL ISSUES:

- White River Land Exchange/Chelan Douglas Land Trust
- US Endowment for Forestry and Communities, Inc.
- Conflict of Dates for Stemilt Tour on October 17
- Stehekin Land Exchange

10:58:53 AM RECESS

11:07:04 AM 11:00 A.M. CHELAN COUNTY REGIONAL JUSTICE CENTER

Regional Justice Center Interim Director Phil Stanley

Jail Partnership Discussion with Chelan County Commissioners Ron Walter, Buell Hawkins, and Keith Goehner, Douglas County Commissioners Ken Stanton and Dane Keane, Regional

Jail Administration Staff Phil Stanley and Mark McCormick, Chelan County Administrator Cathy Mulhall, Wenatchee City Mayor Dennis Johnson and Executive Services Director Allison Williams, Chelan County Sheriff Mike Harum, Chelan County Clerk of the Board Janet Merz, and Chelan County Deputy Auditor Skip Moore on behalf of the City of Cashmere. Reporters Michelle McNeil and Tom Cashman are also present.

Commissioner Hawkins opens with the current standing of the partnership. Chelan County is here to listen what the City of Wenatchee and Douglas County want to share. At this time, a letter is in effect dissolving the jail partnership the end of this year. Chelan County has undertaken plans to proceed with the renovation of the heating, air conditioning and ventilation system along with electrical and mechanical issues in the jail in the amount of \$4.5 million through bonding. This was the first capital project that Commissioner Walter and Commissioner Hawkins were introduced to when they took office, with many postponements. It has to be done and Chelan County will be moving forward and doing it.

He adds that conversations have occurred with both the City of Wenatchee and Douglas County and it has been suggested that Chelan County look at maintaining the jail partnership in some way. He states Chelan County is prepared to listen to their proposal.

Commissioner Walter shares that additional work is being undertaken on the security issues and ceiling improvements.

Commissioner Stanton shares this is a City of Wenatchee presentation and that Douglas County is here to listen to what the City has to say.

Mayor Johnson offers opening comments. He congratulates the Commissioners on the hiring of Phil Stanley as Administrator of the facility and it has been a good move for the Regional Justice Center. He offers high quality caliber that can operate this facility. This has been one of the weaknesses for a number of years with management changes since 200 since he has been here. This has culminated to Mr. Stanley as an outstanding individual to run the facility.

2008C8-218

Mayor Johnson shares he was wrong in his initial decision to dissolving the partnership. He now feels that it is necessary to sit down and explore alternatives before doing the easiest thing which is dissolving the partnership. He has gone back and read all the agreements. The original document was presented in 1983 and was created as a result of legislation in 1981 by the State that allowed partnerships to form. Since that time Chelan County, the City of Wenatchee and Douglas County have been used as examples on how partnerships can work to provide regional incarceration. The original contract was allocating for 117 beds with the combined allocation of needs of 56 beds for Chelan County, 14 beds for Douglas County and 47 beds are for the City of Wenatchee. This would be an ownership of Chelan County but beds allocated for all three entities. He says this allowed the entities assuredness of bed capacity for their needs. This went even farther on the two expansions. Both of those were

done on grants. Some funds were from the partners in which about 100 beds were added in two different phases with grant funds. This was done with jointly with the needs that all entities had. None of the entities could have done the projects singly. He does not want the partners to do anything that would preclude them from doing that in the future.

Mayor Johnson adds that the City of Wenatchee is not doing this in order to pay less. That is not an option. He feels bed rates will be established uniformly that will take into account the needs of this facility. The drawback is that the partnership was formed without the component for replacement. That is an error in the original document. He has attempted to integrate the needs of the facility and then proportion that out to the users that are in the facility on a per day bed rental that each entity would participate in. He feels this would show an option to recover the \$4 million that we are currently bonding to put into the facility. It would even mean that if necessary the City would co-guarantee the bonds. Methods to address the needs of the facility are something that can be planned for the current problems and for long term solutions.

Douglas County has not entertained discussions on that idea. They would have concerns on how that would affect bonding capacity.

Commissioner Hawkins states that if there is a way that can keep the partnership together that makes sense for all most notably for the people of Chelan County including the residents of the City of Wenatchee and that is his first concern.

Mayor Johnson feels they have been good partners. The split has been by occupancy and Chelan County has taken 52-56% and the balance has been split between Douglas County and the City of Wenatchee but the bonds were put in not by population, it was each an equity partner basis, we each put in \$200,000. The City of Wenatchee has put in an amount greater than the occupancy and it had merit because it was good for the City of Wenatchee and the partnership.

The Mayor shares this should be on a cost recovery basis and not supported by general funds by the three entities if possible. The thought is the rates should be made on bed rentals consistent with the needs of the building. The City is willing to participate in the costs of the updates and maintenance in the way of rental basis for their share.

Mayor Johnson states the partnership has never sat down and had the conversation as to how we can fund, with no specialist and no funding models that will work for us. If it is based upon bed rental, you use it you pay for it concept. Cost recovery for bed rentals has been discussed for other communities outside of Chelan County but we have never been able to do that until under the leadership of Phil Stanley we have not had a handle on what that true cost is. We purchased a new van three years ago and not established a replacement cost for that van. A mileage fee or pick up and delivery cost could be implemented for replacement costs.

Commissioner Hawkins shares the cost per day figures were recently scrutinized. CTED has determined the average costs across the State are \$78 per day for County run institutions. Our numbers for 2009 were about \$70 per day. It was also discussed that the rate structure for Douglas County and the City of Wenatchee and Chelan County would be different than contract prisoners due to the fact that we all share the medical costs associated with inmates and contract prisoners bear that responsibility. The other issue is one of transportation and we do not have that issue with Douglas County or the City of Wenatchee. A rate across the board would have to be done by composite as far as what the rate is for all costs in and what the rate would be if they did not have the medical and had transport.

Mayor Johnson does not feel the partners have had the accounting applications to be able to look at this in depth cost accounting the split those things out. That could be a positive in the future that we can analyze this so it can be a cost recovery. Mayor Johnson summarizes that he strongly urges the partners to reconsider and keep some form of partnership and have outside assistance to determine how it should be structured and the responsibility of the various entities and determine what our future will be. He feels that due to the personalities the partners cannot do this alone. Before we dissolve this relationship we should stay in it long enough to be assured we are not dissolving for the wrong reasons. We may want to stay in for the right reasons.

Sheriff Harum has been working on a transitional re-entry program. If that is going to take place it is better done in partnership than going it individually. We have a lot more to gain in the future by staying as a regional partnership and all taking that active role. The document that he received from the prosecuting attorney that opened the Mayor's eyes to staying in the partnership was an agreement to terminate that was well beyond what we had agreed as partners. It stated that Douglas County and the City of Wenatchee agree to pay Chelan County on a per day, per inmate basis for those persons in the facility such sums as Chelan County may demand or as may be established by separate contract. This was an agreement to terminate that became an agreement to contract. These are different things. The document goes on to state that Chelan County agrees to provide Douglas County and the City of Wenatchee with jail beds for prisoners as they may be available after meeting the needs of Chelan County Law Enforcement Agencies. The City of Wenatchee has approximately 70 inmates in the jail per day 365 days per year. Mayor Johnson, on behalf of the citizens of Wenatchee, needs certainty that he has a place to incarcerate those people. The City cannot run the risk of saying as long as we are available.

Commissioner Goehner questions the location of the letter of intent to terminate, which was signed by the entities.

Mayor Johnson shares that when we look at agreements, if it is one that says if this agreement is not what is in the best interest in management form, what is that document? There are other states that have passed legislation that provides for jail authorities. That legislation has allowed counties and/or cities to combine a jail authority, which would be more similar to

what we operate such as RiverCom as an entity. If it takes that type of legislation Mayor Johnson is prepared to work with the legislators to introduce it and get it in the process to start it. The State of Washington would look at as another model that says if we can find ways to formulate government to work together we can do a lot more to benefit the taxpayers than if we all go it alone.

Commissioner Hawkins believes we are all in strong believers in regional collaboration. Every model to work together and collaborate has been done here. The two counties and the cities have been uniquely positioned over the years to look for ways to partner and that is the same spirit is here today. Commissioner Hawkins wants to express his concern that the Prothman Report to us expressed specifically concerns for our current organizational model. Essentially, we have a director that is serving two masters. Commissioner Hawkins shares that any new model of partnership needs to feel equitable. All entities have felt disadvantaged by this model. We have to get together to find a model that is sustainable long term and if possible one that would work for us until with a long term model we can support.

Mayor Johnson shares that when the partners request equity, since that is all that the three partners wanted to create, and when they challenged this it is not because he feels they have not been treated inequitably but because he wants to identify the equity. He owes it to the tax payers of the City that equity is equity. The challenge is to look at the accounting procedures, look at how we operate, so we all feel that we are or are not equitable. No one should get upset by challenges to equity. It may be frustrating but the basis is that the tax payers demand of us.

Commissioner Goehner asks where Douglas County is on this. We have heard the request from the City but not from Douglas County.

Ken Stanton speaks for Douglas County. He shares that Douglas County was always looking at how much it was costing us to incarcerate. Douglas County felt that at some time they needed to take a look and see whether it was in the best interest of Douglas County to do its own jail. When Douglas County is looking at \$1.6 million for the 2009 budget to incarcerate and significant amounts of money to upgrade and where would Douglas County come up with those funds. They felt it was appropriate to take a look and they had their eyes opened as to how much it would cost and they are not in a position to fund their own jail. The matter of the partnership dissolving, he understand where the Mayor is coming from. Douglas County would be looking at the same issue, where do we put our people and do we have some type of guarantee that Douglas County and the City of Wenatchee have the same need for 70 inmates per day. Long term this is probably not the right model and he does not feel this facility is the right answer. Do we keep the partnership together because down the road we may be looking at some other picture for perhaps a broader partnership. Maybe that is the sole reason to keep this together. It would show it can work and does work. He feels we can work through the issues. It is better to keep something together than to try to put it back later on. If we can salvage this partnership and keep it together because we all

know long term we are going to be looking at another scenario maybe that is a good enough reason to keep it together.

Commissioner Hawkins asks about the October 2 meeting and where you mentioned some major population numbers. Is that what you are looking to examine or the best long term alternative? Commissioner Stanton replies a 1000 bed facility would be an option by combining counties. This may be the preferred alternative. This would eliminate the need to continually renovate.

Commissioner Dane Keane shares this has been an issue for 12 years to figure out what is best. He feels that the current partnership is equitable as it can be. You are looking at a facility that does not make sense for the partnership to continue. This is a huge issue for Chelan County. As you look into the future we need to build a regional facility. This is not the right place for it to go. He felt that Chelan County needs - with the current facilities and all the people in it - to make a move. Douglas County asks where can we come up with the money. Douglas County does not want to hamstring Chelan County or the City of Wenatchee. Is a regional jail the right thing? Absolutely. Commissioner Keane says that is the route we have to go. None of us can stand alone and do it. This is a unique situation that we have here. This building expansion costs are far greater than any of us can do. It has to go up. When you start going up you are looking at issues that are taking business and land away from the City of Wenatchee that is commercially zone areas. That is a tough decision to make. When we look at the amount of money, and put yourself in Douglas County's position, when you start going to the tax payers and saying we want to work on this facility, it is a real tough sell for them. How do we figure out ownership and partnership of this thing any better than what we have done. Commissioner Keane applauds this group for the wonderful thing that has happened. Working with Dennis and Ron has been fabulous. He has worked with other leaders that were not fun. It is tough place for Douglas County that is going to come into put money in a facility that is 25-30 years old, have a true partnership, and grow as we need it to be. There has to be a trust factor, which Commissioner Keane believes we have. He would ask that that for what they have been through, he would ask, that Douglas County's 70 beds as well as the City of Wenatchee would be right up on top of the list. He believes that we do need another facility. Does it matter if it is in Chelan County or Douglas County? We need to find the right place and move on. He believes in partnerships.

Commissioner Hawkins wants to know if Douglas County wants to be a partner. But you don't think you can invest money in the jail? He responds that it all needs to be discussed. You have the facility, you know you need to upgrade to take care of it so for you it is a pretty easy decision. But Douglas County feels it is a harder decision for them to know if they should put their money and your bonding capacity into this facility. The only way that Douglas County is going to be able to build a building of any magnitude and to be able to house the prisoners and for the future is to still be a partner. It is an interim solution because you have to have it.

Mayor Dennis Johnson has been looking at the Lombard Conrad documents, the moving of the sheriff and the restaurant and feels there will always be a need for this facility. It behooves us to charge enough on bed rentals to make sure that is updated and meets modern standards. That gives you the booking facility and the pretrial setting for incarceration. Once that has been determined those people certainly could go somewhere else that is not on such high valued ground for expansion, parking, etc. From what he has been reading on for facilities, going up meaning going vertical is not the best model for incarceration. Horizontal application is much preferred for security forces can move through the facility on the same floor and don't have to worry about power outages, etc. For the long term we may not be doing the best for long term by taking this facility and moving the Sheriff, and doing something with the Courts to go vertical. The best solution is to start the process now for long term needs. Such as the school district we need to plan for the long term plans for land use at a later time. This needs to begin, to determine where we should be 15 or 20 years from now. We need the assistance by leading us through some type of format to determine what do the stake holders need and want? How is the best model applied? We may need to work with the legislature to create the entity that we want. We have a uniqueness to build the right model and the right structure. We can do that on a cooperative basis. That means staying in a partnership maybe in the interim. He commends Commissioner Stanton for putting together the meeting on October 2 and inviting other counties to find out their needs and it will be interesting to see what the outcome of that is. It may mean to come with a consultant to get a more effective view of where we are going.

Mike Harum shares the historic perspective. He was there when the jail when it was the old jail. There was some discussion as to how the jail would be built. The police chief was to be housed there as well. It did not turn out that way due to politics. In 1996, 97, and 98 there was a jail advisory group that was to determine where it was going to go and the future. The cost has been established many times. There have been many studies throughout the years. The cost of the jail, per day, per inmate has been established many times throughout the process as well as in 2000 and 2001 when Sheriff Brickert decided a good alternative to lowering the cost of our incarceration rate was to rent to another agency. The problem that came out of that was that it was very competitive. They came up with a rate that was lower than what it cost us to house them. The transportation cost was another discussion that came up and what we should be charging. He recalls a figure of \$100,000 per year that it would cost the partners to go and pick up the inmates. That was never factored into the cost per day. Those rates for transportation etc have brought us to where we are today. In 1996-97 capital improvement costs were discussed and maintenance fee was supposed to be attached. That has never been attached and refigured. As far as the regional concept, we are the only regional jail in the State of Washington. In 2001 a study was done and it talked the cost was estimated at \$59 in 2001 was \$38 per bed per day. We are stilling lower than we should be charging ourselves. The county cities were paying more for incarceration than from outside cities. He has heard the statements we do not want offenders from other parts of the State. His discussions with the Department of Corrections for the re-entry program have been very

promising and talking about establishing a facility for those offenders from District Court and the State level to transition back into the community. It will be put into the budget to build that facility. But we are talking here about a Chelan/Douglas facility. Douglas County is not going to be able to pay for this tomorrow or next year, but will look into the future. He is not sure if it is feasible for us to sit down with the other entities and counties in the area as a regional plan. Sheriff Harum supports the regional partnership with Chelan and Douglas County with the idea that establishment of the true cost of incarceration. WASPIC has done regional studies and would be willing to come and meet with us on the future to facilitate how this should work. There are some opportunities with this facility to change the make up. There are some opportunities to remodel here and make it more of a direct supervision and is a model that we can use here to lower costs. He also speaks of the re-entry program and that it would be a direct supervision model. It might be called something rather than a minimum security jail it may be called re-entry initiative facility. This would bring an offender through our system as well as the state system. All of the evidence based studies indicate that it is going to reduce the recidivism rate by 30% therefore reducing the number of people that we have to incarcerate locally as well as at the state level. That would reduce the costs to us in the future. There are some counties like Yakima and Benton that build these big jail facilities in anticipation to rent. Yet Benton County has only opened part of theirs as well as Yakima because they grossly under estimated the cost to operate the facility.

Commissioner Hawkins, states with all do respect, that Douglas County went into a little bit of sticker shock not only what it would cost to build the facility but also what is costs to run the facility. Not to be disrespectful in any way, but that probably caused Douglas County re-evaluate the deal you were getting in this regional facility. It might not have been quite as bad as you thought it would have been.

Commissioner Keane says they have never had the discussion that they are getting a raw deal.

Mayor Johnson says the whole thing was precipitated by the need to explore based upon Chelan County's comment that they wanted to dissolve. That is what precipitated Douglas County to begin looking at it.

Commissioner Goehner shares that he is not quite sure about the way events transpired. He did not sense the motivation was from Chelan County to dissolve the partnership.

Commissioner Stanton says the motivation that originally started Douglas County was that when we reached X amount of dollars for incarceration in this facility, we felt it was in the best interests to see what it would cost to have our own jail. As things transpired, we had the discussion arise about dissolving the partnership and Douglas County felt maybe the timing was right. Maybe this is the opportune time to do this. If the partnership has decided this is the best approach, we will look at building our own jail and we will see where things go. The time frame was all melded together. We wanted to see what the feasibility was. It just so

happened the discussion about dissolving the partnership happened about the same time. The door of opportunity opened for us to take a serious look. So we took a serious look.

Commissioner Hawkins felt that it was reported that Douglas County could go and look at their own facility and the City of Wenatchee would have an alternative as to where they were going to place their prisoners. We are here to talk about if there is a viable basis to maintain this relationship into the future. Commissioner Hawkins stands by his comment that it is easier to keep something together than to put it back together after it has been pulled apart.

Jail Administrator Phil Stanley shares the comments from the Prothman report on the structure and administrative chain of command caused concern for the daily application and who does the director work for and who do they answer to. The Prothman report makes some comment that if the partnership continues some of those things should be ironed out and that one group or the other should be advisory. The Director should answer to the owner and if there is a partnership, that he or she answers to the partnership for operational or budgetary issues or answers to the Commissioners. But the group he does not answer to should be advisory.

Director Stanley echoes that assessment. He feels he has been able to establish relationships that have enabled him to operate with the commissioners as well as the partnership. But he has sometimes felt, who is making the decisions. He has been able to negotiate that and it has gone very well. But he can see how in the past it did not go well. That portion needs some work and some hashing out.

This facility is run down and has not been kept up from a capital stand point. If there is an answer in the short run to take care of the building issues, and Chelan County Commissioners have stepped forward and begun to take action on. There does have to be a plan to do that collectively in the future. It has not been done in the past. He hears everyone say we need to plan for the future but the reality is that it has not been done in the history of the operation. He has not been here long so he cannot comment on the past. Concern about bed space into the near future, and he believes this facility even with its current bed space should be able to take care of the needs for the local partners. How long that period is does require study. Growth patterns for the area have not been done recently. They need to be done for 10, 15, and 20 years from now to get an accurate projection. He believes that this facility will not take care of the need in 15 years unless there are some dramatic changes. The trend is for more and more incarceration no matter what entity there is that talks about re-entry and retraining prisoners the basic flaws have not changed and incarceration rates will continue. He would advocate a study to look at the future needs.

Commissioner Hawkins shares that the present model and the fact that the director is serving two masters, that has to be resolved in any on going relationship. It is difficult when all of the folks in the jail are Chelan County employees and Chelan County bears liability associated with any of their actions to say Chelan County will subordinate its role to the jail partnership.

That is difficult for Commissioner Hawkins to handle. He is listening to Douglas County and the City of Wenatchee and what he is hearing is the thought of having some type of transitional relationship or Interlocal agreement that gives both entities some type of assurance to the ability to house their prisoners until some other model can be created and potentially some other facility can be created.

Mayor Johnson says that is not what he is speaking of.

Commissioner Hawkins states that if you have three partners in a relationship and two of them are committed to keeping a partnership together and one is looking at doing something different, it is tough for him to get his arms around how that will work.

Dennis Johnson shares that is why he is suggesting it needs assistance. He again speaks of the personalities that cannot come together to resolve. But even the existing agreement has dispute resolution clauses. It says if you cannot agree then let's go out and get someone that can help to do it. He is saying it is like a marriage, do you want to try to save the marriage or do you just want to do the divorce. He is saying the partnership has a lot more in common together as a single entity for the future and he is not willing to sit back and let it slip away because today we are in a couple of disagreements. If we get some resolve and assistance by someone from the outside, putting all the personalities aside and all the people, what are the best to serve to serve Chelan County and the cities, let's build a model for the future as a partnership. Mayor Johnson feels the partnership is kept in tact, get the assistance from those that come in and sit down with the group, alter it and it does need altering based on Prothman's analysis and we have all agreed to that, and see if we can identify that and at the same time begin the process of looking at the long term. If we sat down to look at an Interlocal agreement, it would take six months for an agreement. We have a model that has some issues. But let's get someone in the short term to help resolve this and get it operational so it is more comfortable and start doing the long term analysis. That, in the process, may say you need to throw this completely out and we will form this, or, there is no salvage. But let's look at the state legislature to re-identify this to get language to work with. If we just disband, then what we are going to do is take everyone on their own track and find some solution and resolve. We are better off to stay together and make sure if we are going to get rid of this model we are doing it for the right reason.

Commissioner Ken Stanton speaks to the re-entry program Sheriff Harum spoke of possibly regionalization. There are a lot of things coming down the track. This facility for a regional jail has short term limitations. He thinks we need to look at a long term fix. He is not going to make any kind of decision until he has the meeting on October 2 with all those interested and see what the regional wants to see happen. As far as keeping the partnership together, it would be nice to keep it together if only to show everyone we can do it and we can make it work. Douglas County is willing to enter into an Interlocal agreement with Chelan County to rent bed space as long as we have some guarantee and some kind of viability for the time we are going to need it. Until he has the meeting on October 2, he is not going to jump to signing

anything for the sake of a partnership. What kind of time and effort are we going to put into salvaging the partnership if this is a short term fix? He can understand where the City of Wenatchee and Mayor Johnson is coming from. But our efforts need to be focused as to what long term are we doing for incarceration and re-entry. Maybe we need to sit down and concentrate on the whole bid picture created.

Keith Goehner, states that whether we look long term or short term or whatever, we have an immediate need that has been immediate since Commissioner Goehner has been in office and Commissioner Hawkins, and Commissioner Walter have told him it has been a need as they came on board that had to be addressed. We are the point where it really has to be addressed. If we do not make a short term repair and renovation of this facility, in order to have the long term discuss. What Commissioner Goehner heard Commissioner Stanton say is dollars are factored into Douglas County's motivation with the discussion of dissolving the partnership and Commissioner Keane indicated the same thing. If we go forward with the short term partnership where are we with the dollars? That seems to be one of the rubbing points along the way.

Commissioner Keane says that he wants to make something clear. It was appeared that two people wanting to keep the partnership and one kind of sounded like from what Commissioner Hawkins said, was one was wanting to head out on their own. It was not anything that happened. Douglas County did not initiate anything as a matter of want to dissolve anything. Commissioner Keane has been very pleased with the partnership that has been put together by Commissioner Walter and what they have put together. From what he has seen in the past, and what he had to deal with was atrocious. Commissioner Keane has told Commissioner Walter that he has been honored to sit on the Board with what they have done with the City of Wenatchee on this. The discussions went beyond this facility and it went beyond as a good partner. In speaking with Commissioner Walter, what is going to be the cost for Chelan County if the partnership stays in this facility to move the Sheriff out? What is it going to cost to move the motor pool out? He was concerned as a partner about the cost to Chelan County to move the sheriff and the motor pool. He was concerned about that. From what the partnership had prior this is a wonderful partnership. Commissioner Keane shared with Commissioner Stanton there was going to be a change. If that was going to happen, Douglas County was going to have to take the initiative and look at what it was going to cost. Douglas County is in a unique situation. It is not our home. It is not our County. It is not in our facility, it really isn't. We needed to look at what we were going to do. It is not that we were not happy. That did not ever enter into the fact. It was not an issue. This partnership has gone a long way because of the leadership like Ron Walter. Commissioner Keane is pleased now where we are at. That means that we will do what needs to be done. Douglas County is here to do what is best. If that means we have to be a bed renter that is what we will be. If we can keep the partnership – Commissioner Keane thinks it is a necessity for the future. We have seen the numbers. To build it on your own is tough, no matter what county it goes in to. As we have seen at RiverCom, it can work. It can work if you want it to work. This is a unique situation, this building, it does not just house

prisoners for Douglas County and the City of Wenatchee. It houses other things. He was there when they did the 96-97, and it right on track where it talks about Chelan County needing to do certain things with occupancy of this building. That is a tough road for Chelan County. It was more a conversation on what we need to do to this and take a look at this to help everyone out and still be a partner if we can. That was a true partnership to sit down and discuss that. Douglas County is a unique situation for them. To go home and say we are going to put money in the Chelan County facility is awful hard for Douglas County. When that came along and we did that, we decided we need to be a bed renter and follow that direction. He would like to be able to keep the partnership intact because it would benefit us all and our region for re-entry right on down through. He is not sure if re-entry can be in either one of the areas. The only way we can do it is to be a partner.

Commissioner Keith Goehner states the only way to have a partnership there has to be the equity aspect. If it is not an equal commitment to that partnership, then it is not a viable partnership. It is not a partnership Commissioner Goehner wants to be a part of. Commissioner Keane says that is understood. Douglas County can appreciate that.

Commissioner Goehner is concerned about the immediate needs are. They need to be funded. Chelan County is moving forward from the County standpoint. We have a facility that has to be renovated. His question that he asked earlier is what is going to be the change in the commitment to the partnership if we are to continue.

Commissioner Ken Stanton is unsure what the change is. You have a \$4.5 million capital investment here in the process. Douglas County does not have enough money \$1.5 million to throw into it. In Mayor Johnson's first point is outlining a way to maybe recoup or to set a payback for that. Is Douglas County ready for throw in \$1.5 million to your capital improvements? Douglas County does not have it. If you are asking for that as a sign we are wanting and able to be and remain in the partnership, in that case we would have to be a bed renter.

Commissioner Goehner shares that we are not asking for 1/3 of the financial commitment up front, we would have to have a commitment to a revenue stream that would retire that obligation for the renovation. That is where Commissioner Goehner is coming from.

Mayor Johnson says in all fairness when you talk about the \$4.5 million it should be put in context with the whole dollar amount from the Lombard Conrad document. It was well over \$9 million as Mayor Johnson recalls or more. It did entail a lot of movement on the County's part, with the Sheriff's Office, and huge impacts on courts and everything. The question put the other partners at a loss. Quite frankly, that report was an eye opener. We have a real issue and how do we tackle it? We have never been able to resolve the bigger picture of that whole Conrad report. As a result, what we do is we don't solve the little initial problem with the capital need of renovation to get us modernized, because we have a whole expansion and relocations and the whole funding package has been one of difficulty. How do you eat an

elephant? One bite at a time. \$4.5 million is the immediate need. That is not new capital. That is just renovating what you presently have and that is taking care of unfunded depreciation. If we would have had a model in 1995 or 1992 or something that someone would have developed that was put in earlier to a funded depreciation account, we wouldn't be talking about this today we would be doing it because the money would be there. Hindsight is 20/20 and it was not done and now we have to find a way to do it. That is why when Douglas County said they could not bond for the money, they did not have the money, Mayor Johnson felt someone had to come up with a resolve. Chelan County's resolve was to disband the partnership and go it alone. He felt there were other alternatives and even if he was in our shoes he would say this has got to be a cost recovery and it has to be put back out to those utilizing the facility. He came up with this, nothing unique thing, charge three or four dollars per day more and that allows us to recover it over a fifteen year period of time on a bond and you have a revenue stream that will support that. We can do that as partners. The long term which is well above the \$4.5 million is the one that Douglas County cannot resolve. No one can have a resolve on how to do it. We need some assistance to say should we be inviting more money to be spent for a regional jail facility or should we start looking at another site somewhere that we can build and replace that. It would not displace the sheriff 's office or courts, etc. When you look in the money issue it is in the bigger context than the \$4 million.

Commissioner Walter shares he has been silent because he wanted to listen and let the conversation develop. There are some parallels in the conversation that refer to the history and the maturing of the partnership. Commissioner Walter shares the flashback in the history of this all. When he looks around this room he realizes that he is the only person in the room that shares one particular piece of history. That was when Commissioner Hunter and Commissioner Walter made the decision, which was not very easy, to remove the jail operation from Sheriff Brickert. Commissioner Walter did that on his six month anniversary in office and the day he and Commissioner Hunter appointed Commissioner Hawkins to fill Esther Stefaniw's position. That was not an easy decision. The reason that decision was made was because the culmination of observing for several months how the jail advisory committee operated and how the jail functioned. The City of Wenatchee was ready to sue the Chelan County over the operation of the jail. That was the best decision he has made since becoming a commissioner seven and one half years ago on the jail issues to date. It has moved the operation of the jail forward to where we can have this conversation we are having today.

Mayor Johnson has mentioned personalities involved at his point to where we need to bring in someone from the outside. Commissioner Walter has shared with the Mayor that he has felt he has had very personal frustration and that he is personally defensive on jail partnership issues. Commissioner Walter shares he has invested a lot of personal equity to make the partnership work well for all three partners. Coming to this point in time where Commissioner Walter can support no longer moving forward as a partner somewhat parallels what was brought out in the Prothman Report and observing two long term employees in the

jail being in the position of a directorship. Quite frankly the dynamics were such that it would take a very special individual to excel and that is answering to both the jail committee and the Chelan County Commission. He has been in that same position and he has felt the dynamics of being pulled in both directions. Commissioner Walter has that feeling of frustration, part of that reason that he has the personal tie to the whole thing that is maybe too close. Also, coming to that point to say that this partnership has service us well in the past but under the current model he cannot support it going forward. It is a shared realization of all three partners rather than any one entity deciding to pull out of the partnership. There were a lot of conversations along the way that got us to that position. We all realize the ability to meet the future needs of Douglas and the cities within Douglas County, and Chelan County and all the cities within Chelan County at this current location is physically constrained. We have all come to that conclusion together.

Commissioner Walter totally supports the regional concept and that would require addressing the restriction of the management of the jail facility in the legislation. The conversations Sheriff Harum is having about work release need to be broadened to that regional concept. Let's quit having separate conversations with DOC, with Douglas County and Chelan County, let's quit having separate conversations and bring it all together. There is no benefit to having separate conversations. That may or may not lead to where we go in the future but the regional concept of incarceration that meets the needs of both counties and all the cities within those counties is worth pursuing.

The current facility and director cannot be successful and cannot support going forward under the current organizational structure. All three entities question whether they are being treated equitably. The details of those conversations have gone on the last seven years. How the needs of Douglas County and all the cities within Douglas County, and Chelan County and all the cities in Chelan County are met within the interim of when we truly develop a concept of a regional partnership, Commissioner Walter cannot say whether that needs to be done under a partnership, or what it looks like. For the interim, as a Chelan County Commissioner he is committed to looking at the needs of the citizens of Chelan County in the current facility and do that in the way that it really represents the true cost if the day to day operation and the needs to upgrading the facility and providing for an ER&R fund from ovens and rolling stock. The contract prisoners from the coast need to be paying their fair share. He believes they have been subsidized up to this point and they are being subsidized today and not being charged the true cost of that service. With Mr. Phil Stanley we have the professional ability to identify the true costs. What this looks like and how it is operated in the interim needs to be worked out. But Commissioner Walter states he cannot support that under the current model due to the pitfalls of the operation. The dual reporting has to be addressed. Whether it is by interlocal agreement, or an agreement to continue the partnership for one year and Chelan County can have the operational authority and avoid some of those issues – he wants it to be fair and equitable – but the dual reporting has to be addressed.

Mayor Johnson wonders if Commissioner Walter would be willing to have WASPC to come in and assist us in the short to term as to how that model should be. Commissioner Walter shares he would be willing to do so.

Mayor Johnson feels WASPC has really done a lot of research in the area. If they can come in and tell us how to do this in the short term.

Chelan County has the responsibility of the facility, and the employees are our employees and we the duty of daily operation. We need to have the model very clear that if we have the responsibility then we have the authority that goes with it.

Commissioner Hawkins states that the three Chelan County Commissioners support the idea of the facilitator coming in to take a look at the model that will work best. Douglas County wants to have its meeting on Oct 2 so that can be a parallel track. We probably need to have someone come in and do this. We have all learned and all have our biases from this and not have biases based upon our own experiences is unrealistic. From Chelan County's standpoint we have a special relationship with Douglas County that we share with many fronts. The relationship with Douglas County and Chelan County across the board is unique anywhere in the State to be able to work together. We have the same and even more intense relationship with the City of Wenatchee and if there is some way we can work collaboratively and in some fashion to serve the mutual interest and of the constituents, that is what we want to do but we are not going to pre-determine what that will look like.

Director Stanley shares the request he has is to have the facilitator with expertise with organizational dynamics as well as organizational structure and what works best for the analysis for the current problems and not function and what the future will look like and what the structure will be. You need sort of the marriage counselor approach for the present but also for the future relationship.

Commissioner Hawkins shares where we are right now. Some months ago when that letter was signed we turned over an hour glass that said when all the sand got from the top to the bottom the partnership would be over. What we have done today is taken the hour glass and not turned it back upside down but laid it on its side. We have suspended the process to give it another opportunity to see if there is some type of organizational framework that will work.

Mayor Johnson says that was all he was asking for. He had hoped that when it was originally presented to the City to dissolve the partnership by Chelan County, the partnership said we would all do it in a positive vain and he has done that all the way through to the point that if he thought that we were doing it for the right reasons. That is all we have done now to explore because we can turn it in either direction.

Commissioner Goehner states he appreciates what is being said but he is curious about what are the implications for the budget process?

Commissioner Hawkins says Chelan County will go forward with the budget and do the capital facilities bond, that is basically a capital issue rather than an operational issue, and there has to be a discussion about what the bed charge is going to be. His discussions with the Financial Services Manager and they have shared that we should be looking at \$70 per day. If you look at the numbers across the state are at about \$78 per day average. Whether we look at a partnership or not we have to have an eternal bed cost that supports the operation.

Mayor Johnson states it has to have equity. He does not anticipate the rental being cheaper. It is what it is. That is the focus we have to carry.

Commissioner Hawkins shares that the bed rentals are meant was to cash flow the increase in capacity until local prisoners use that capacity up. Commissioner Hawkins says if we thought it was going to do anything else we were wrong. The only difficulty was that when you come up with your costs for a bed day, you really need to have accurate costs of what that is. If you are going to make a determination because of a business judgment that you are going to reduce that because you have capacity and open space like a hotel but it has to be a business decision based upon fact.

Mayor Johnson agrees. The current agreement that we have states that we our goal is for 7% reserve. We have never built a 7% reserve into the budget. We should have done that when we signed back then but we have never put it back into the budget.

Director Stanley and Sheriff Harum will work together to get a facilitator from WASPC.

Commissioner Stanton shares that Douglas County and Chelan County need to sit down and discuss what we do long term.

Sheriff Harum feels that DOC and the Sheriff should meet with both Counties to decide re-entry programs.

Commissioner Keane states they have not discussed this with DOC at all or with anyone from the State.

Reporter McNeil asks about the notice of intent to dissolve the partnership and Mayor Johnson is speaking of an actual document prepared by Prosecuting Attorney Gary Riesen to legally dissolve the partnership. Chelan County has not signed the document. She also asks if the partnership now is still intact now.

Commissioner Hawkins states it would be until December 31, 2008.

12:58:47 PM RECESS

1:06:25 PM BOARD DISCUSSION:

- County Fiscal Health Funding
- 960 Bill Voter Initiative regarding Revenue
- State Fiscal Overview
- Jail Partnership Model
- Tuscan Village Update
- RiverCom - Translator Power and Budgets Update
- Farm Worker Housing Meeting – Closure of Pangborn Farm Worker Housing Demand and Supply
- United Request for Funding from Hotel Motel Tax Funds for Mid Columbia Winery Alliance

1:46:38 PM PUBLIC WORKS DEPARTMENT

Public Works Director Greg Pezoldt

BID OPENING – Peters Street Sidewalk Project

1:46:55 PM CLOSE OF BID ACCEPTANCE:

Chairman Hawkins states further receipt of bids to be closed. One bid received as follows:

Hurst Construction \$205,498.00

Engineer's Estimate: \$251,758.00

1:48:23 PM ACTION:

Moved by Commissioner Walter, seconded by Commissioner Goehner and carried unanimously that the Board accept the bid and refer the bid to the Engineer for analysis and for recommendation of award at 4 p.m. today. 2008B1-66

1:49:59 PM DISCUSSION ITEMS:

1. Local Agency Standard Consultant Agreement – David Evans & Associates, Inc.
2. Interlocal Agreement between Chelan County and the City of Wenatchee
3. Title 15- Chelan County Road Standards
4. Intent to Vacate a Portion of Old Malaga Road Right of Way Petition for Bruce Spencer
5. Temporary Construction Easement for Judith Pickering on Chiwawa Loop Road
6. Subdivision Review
7. Patrick Fahey Driveway Improvements
8. Letter to Board from Greg Pezoldt regarding Resignation as Public Works Director

2008C8-219

2:08:48 PM ACTION ITEMS:

Moved by Commissioner Goehner, seconded by Commissioner Walter, and carried unanimously that the Board approve the following action items (**pulling**) item **3(a)** intent to vacate to be presented at 4 p.m. to insure recommendations had been addressed:

1. **Agreement**
 - a) Local Agency Standard Consultant Agreement between Chelan County and David Evans and Associates, Inc. for General Consulting Services for Environmental Services for 2008 – 2010 2008A5-189
 - b) Interlocal Agreement between Chelan County and the City of Wenatchee for Jefferson Street Storm Water System 2008A5-190
2. **Resolution**
 - a) Adoption of **Resolution No. 2008 - 130** Title 15- Chelan County Road Standards
3. **Miscellaneous**
 - a) **(Pulled)** Intent to Vacate a Portion of Old Malaga Road Right of Way Petition by Bruce Spencer
 - b) Temporary Construction Easement for Judith Pickering for Chiwawa Loop Road, County Road Project No. 559 (CRP 559) 2008A5-191

2:11:22 PM COMMUNITY DEVELOPMENT

John Guenther, Director

DISCUSSION ITEMS:

1. CTED Course on Local Planning on October 2, 2008
2. Interlocal Agreement Imaging Interlocal with the State
3. Updates and Discussion:
 - a) Kahler Glen Contract and RFP Update
 - b) Long Range Planning Project Update and Tasks
 - c) Land Use Permitting Tracking and Update – Shorelines, CUP, and Plats
 - d) Lake Wenatchee/Plain Community Outreach
 - e) Organizational Changes Update
 - f) Grade and Fill Ordinance
 - g) Navarre Shores Development
 - h) Tuscan Village Update

2:55:09 PM ACTION ITEMS:

Moved by Commissioner Walter, seconded by Commissioner Goehner and carried unanimously that the Board approve the following action item (**pulling**) item 1(b)

1. Agreements

- a) Imaging Interlocal with the State of Washington 2008A5-191
- b) **(Pulled)** Kahler Glen Contract for Snow Avalanche Assessment with Art Mears, PE

2:55:42 PM EXECUTIVE SESSION:

Moved by Commissioner Walter, seconded by Commissioner Goehner and carried unanimously that the Board move into executive session pursuant to RCW 42.30.110(g) to evaluate the qualifications of a public employee.

3:02:35 PM REGULAR SESSION;
Board Resumes Regular Session.

3:02:35 P.M. OHME GARDENS
Manager Mike Short

Departmental Issues

- Meeting with the State Parks regarding the Transfer of Ownership of Ohme Gardens from the State to Chelan County
- Thank You Reception to Members of “Friends of Ohme”
- 2008 Park Revenue is Up
- Sally Brawley Updates Board on Media Presentations, Salmon Enchanted Evening, Promotional Ideas

3:17:40 PM RECESS

4:06:01 PM PUBLIC WORKS

Public Works Director Greg Pezoldt and Project Engineer Paula Cox

4:06:51 PM BID AWARD - Peters Street Sidewalk Project:

One bid was presented earlier today on September 2, 2008 at 1:45 p.m. for the Peters Street Sidewalk Project. After review by the Project Engineer Paula Cox for Jolene Gosselin Campbell insuring that bids meet specifications, it was recommended that the Board accept the bid proposal from Hurst Construction as lone bidder at \$ 205,498.00.

4: 07 P.M. ACTION:

Moved by Commissioner Goehner, seconded by Commissioner Walter, and carried unanimously that the Board accept the recommendation by the Project Engineer Paula Cox for Jolene Gosselin Campbell to award the bid to Hurst Construction for the Peters Street Sidewalk Project No. 629 in the amount of \$295, 498.00. 2008B1-67

4:07:40 PM Vacation of County Road by Bruce Spencer.

In the matter of the Intent to Vacate the West Malaga Road filed by Bruce Spencer, the recommendation references that the vacation can be completed upon the payment of all costs, and upon verification that the conditions as identified by the Engineer’s Report have been met. As part of the conditions the Malaga Water District has identified private irrigation pipes in this section of road and therefore if approved for vacation permanent easements will be retained for existing utilities. No other utilities are known to exist in the area.

4:08:35 PM ACTION:

Moved by Commissioner Walter, seconded by Commissioner Goehner and carried unanimously that the Board approve the previously pulled Public Works Agenda Item 3(a) public works agenda:

3. **Miscellaneous**

- a) Intent to Vacate a Portion of Old Malaga Road Right of Way Petition by Bruce Spencer 2008V1-12

4:11:07 PM COMMUNITY DEVELOPMENT DISCUSSION ITEMS CONTINUE:

- Kahler Glen Contract for Snow Avalanche Assessment with Art Mears, PE
Commissioner Goehner and Community Development Director were unable to contact Mr. Mears regarding use of Colorado Engineering Stamp on his assessment since he does not have a State of Washington Engineering Stamp. It is felt that knowing he works in the State of Washington, with the State of Washington it is best to try to replicate the process that is followed by the State for his expert testimony. However, time is of the essence, several sources share that Mr. Mears is the best in his field, no other engineers have come forward, and work needs to be completed for safety reasons prior to the weather change in the Lake Wenatchee area.

4:12:54 PM ACTION:

Moved by Commissioner Walter, seconded by Commissioner Goehner and carried unanimously that the Board execute the contract action item previously pulled as Public Works item 1(b):

1. **Agreements**

- b) Kahler Glen Contract for Snow Avalanche Assessment with Art Mears, PE 2008A5-192

4:16:12 PM BOARD DISCUSSION CONTINUES:

- Prospective Buyer of Navarre Shores Property Contacted Commissioner Hawkins. He shared his intent to continue with the application process. Discussion to continue on Building and Planning Agenda on September 16.

4:20:26 PM ADJOURN:

Moved by Commissioner Goehner, seconded by Commissioner Walter, and carried unanimously that the Board adjourn until Monday, September 8, 2008. Board adjourned.

Filed Correspondence:

- Letter from Dept of Fish and Wildlife regarding the Appointment of Bob Steele as Habitat Program Manager 2008C8-220

Vouchers Approved for Payment 2008B4-90

Current Expense		\$ 464,052.61
All Other Funds		<u>726,846.85</u>
Total All Funds		\$1,190,899.46

BOARD OF CHELAN COUNTY COMMISSIONERS
BUELL HAWKINS, CHAIRMAN

JANET K. MERZ, Clerk of the Board