



City of Seattle
City Budget Office

MEMORANDUM

Date: August 3, 2011
To: Public Safety & Education Committee
From: Catherine Cornwall, Senior Policy Analyst, CBO
Subject: Proposed Jail Services Interlocal Agreement with King County

Earlier this year, Mayor McGinn challenged the staff to see if there was any way to reach a long-term agreement with King County. The Mayor felt that King County was the best fit for the City's operational needs and that the City and County share a similar commitment to treatment and alternatives to incarceration. The Mayor was also aware that the City Council had significant concerns about Seattle either building its own jail or contracting for jail services that would require sending pre-trial inmates to a location outside of Seattle. That direction resulted in the April 2011 "Agreement in Principle" between Mayor McGinn and Executive Constantine which established a framework for a new long-term interlocal agreement for jail services. The proposed Interlocal Agreement (ILA) implements the framework that was established in that set of principles.

The proposed ILA represents a new long-term, durable partnership between the City of Seattle and King County. It provides certainty by guaranteeing the City access to jail beds at King County through 2030. It also sets the basis for reasonable and predictable fees for services. The City's courts, law enforcement, and attorneys will maintain the significant operational advantage of having the City's pre-trial inmates located in the downtown Seattle location of the County's correctional facility, literally across the street from the City's municipal justice center.

If authorized by the Council, this new agreement will begin January 1, 2012, and run through December 31, 2030. As part of the new agreement, the booking fee will decrease from \$329 to \$95. This change will save the City over \$2 million annually. The agreement also provides the City with guaranteed access to 228 jail beds in 2012 and rising to 335 beds in 2030. The City will pay for a minimum number of beds beginning with 175 jail beds in 2012 and increasing to 258 jail beds in 2030.

Without this long-term agreement, Seattle might have to consider building its own jail. Based on planning work done in 2009, the cost of building a new jail ranged from \$200 million for a stand-alone jail located somewhere outside downtown Seattle to \$400 million for an annex to the King County Jail. Either option would have resulted in significant capital costs of well over \$100 million for the City. With this proposed agreement, Seattle's misdemeanor jail needs will be taken care of through 2030. In addition, if King County needs to expand or build new jail facilities, Seattle's annual share of the capital costs would be approximately \$640,000 (plus inflation). Payment would not start until the expansion became operational or the County started making debt service payments (whichever comes first).

Background: Status of Existing Interlocal Agreements for Jail Services

The City currently has interlocal agreements (ILA) for jail services with King County and with Snohomish County.

King County ILA for Jail Services

- ILA approved by the City Council on March 22, 2010. Replaced previous ILA with King County which started in 2002 and was due to expire Dec. 31, 2012.
- Amendment to the ILA modifying the 2011 rates approved by Council on November 22, 2010.
- Term – May 1, 2010 through Dec. 31, 2016.
- No minimum bed commitment (aka a floor); the City only pays for the beds it uses.
- King County guarantees to provide to all the contract cities 330 beds through 2014, and 250 beds in 2015 and 2016.
- Cities must end their use of the King County Jail by Dec. 31, 2016.
- Fees – Established a general housing fee along with surcharges for medical, psychiatric and other specialty services¹. This change in the rate structure resulted in an overall increase of 22% (\$2.7 million) in the City's jail costs compared to the previous rate structure.

Medical and psychiatric service fees increase by 6.5% per year; non-medical fees increase by 5% per year. Fees are re-set based on actual expenditures and jail population levels every two years.

Snohomish County ILA for Jail Services

- ILA approved by the City Council on September 20, 2010.
- Term – Agreement runs through Dec. 31, 2016.
- Fees – fees increase each year by 90% of CPI; the maximum allowable increase is 3%.
- No minimum bed commitment (aka a floor); the City only pays for the beds it uses.

¹ Please see Attachment A for a list of 2012 Jail Fees for King and Snohomish Counties.

- No guaranteed provision of beds (i.e. beds are available only if Snohomish County has space available).

Proposed New King County Agreement

The most significant changes in the proposed agreement are: the term of the contract (it goes through 2030); the agreement by King County to provide a guaranteed number of jail beds for the City's inmates; the agreement by the City to pay for a minimum number of beds; the decrease in the booking fee; and the agreement on how capital costs would be shared if King County needs to expand its facilities.

- **Term** – January 2012 – December 2030.
- **Jail Bed Guarantee** – Starting in 2012, King County will guarantee the use of 228 jail beds to Seattle. In 2017, after the City's agreement with Snohomish County ends, this guarantee will increase to 303 beds. This guaranteed number of jail beds will gradually increase over the term of the contract to 335 jail beds by 2030 (see Attachment B for more detail). The increase is consistent with growth in the City's projected jail population which is projected to grow at a little less than 1% per year.
 - The jail bed guarantee is also the maximum number of beds (or cap) that the County is obligated to provide. If the County has space available, it may provide a greater number of beds but it is under no obligation to do so².
 - The cap is set to be 30% higher than the minimum floor. If one number changes, then so does the other (e.g. if the cap was increased, then the floor would increase as well and vice-versa).
- **Guaranteed Minimum Floor** – As part of this agreement, the City has agreed to pay for a minimum number of beds each year. In 2012, the City has committed to paying for a minimum of 175 jail beds. In 2017, after the City's agreement with Snohomish County ends, this guarantee will increase to 233 beds. This minimum bed commitment (or floor) will gradually increase over the term of the contract to 258 beds by 2030.
 - The City can reduce the minimum floor if it gives 18 months notice and notice occurs prior to notification of capital expansion by the County.
 - If the City is sending 100% of its inmates to King County, it can reduce its minimum bed commitment for the following year if it gives notice by July 1.
- **Jail Fees** – see Attachment A for 2012 fees. The most significant change is a decrease in the booking fee from \$329 to \$95. This change will save the City over \$2 million annually.

In future years, fees will increase by CPI plus a 1.5% surcharge for general housing and by CPI plus a 3% surcharge for medical and psychiatric services. There will be rate resets every 5 years where the rates will be based on the prior year adopted budget. There will also be a rate reset if CPI exceeds 8%.

² There is a provision to allow for temporary 4 day spikes in the jail population which are sometimes experienced over the course of a year.

- The current ILA calls for 5% increase for general housing and a 6.5% increase for medical and psychiatric services with rate resets every two years.
- The 2002 – 2010 ILA with King County called for a 5.8% rate increase each year.
- Jail Planning – the City and County will work together on jail population forecasts.
- Jail Expansion Surcharge – if King County needs to expand its facilities to in order to have enough capacity to house all the inmates, the City will help pay for a portion of the capital expansion costs.
 - The total planning and capital cost cannot exceed \$66 million in 2011 dollars (it will be adjusted for inflation). A portion of this total cost would then be allocated to the City.
 - The City’s share of the total capital cost will be based on its percentage share of the total jail population (currently about 10 – 12%).
 - Payment would start when the County’s debt service payments start or when the expansion becomes operational (whichever comes first).
 - The estimated City annual surcharge would be approximately \$640,000 plus inflation per year.
- Termination – can only occur through mutual agreement or material default (no termination for convenience).
- Work Release – King County shall provide up to 15 work release beds for use by the City. The City’s use of Work Release does not count towards the minimum floor that the City must pay for.

Attachments: Attachment A – King County and Snohomish County 2012 Jail Fees
Attachment B – Historical and Projected Jail Population

cc: Beth Goldberg, Director, CBO

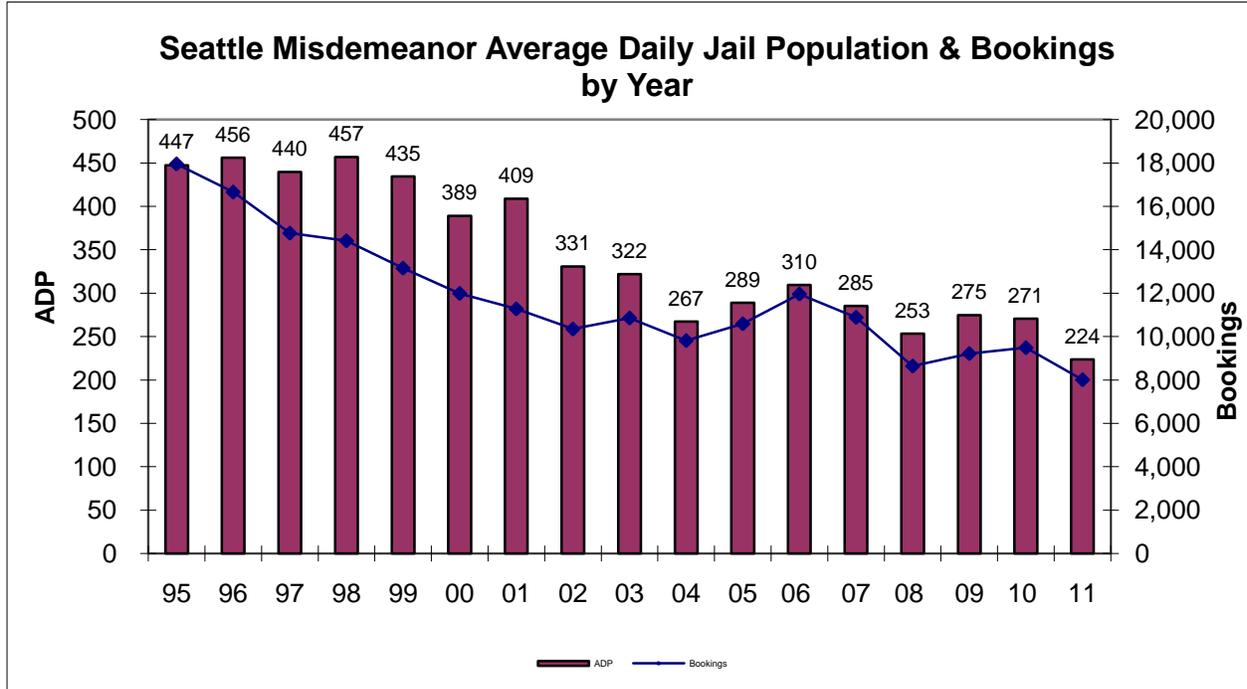
Attachment A – King County and Snohomish County 2012 Jail Fees

	Booking	General Housing	Work Release	1:1 Guards	Medical	Acute Psych Housing	Psych Care
Current ILA	\$329	\$126	\$84	\$1,545	\$322	\$384	\$200
Proposed ILA	\$95	\$125	\$92	\$1,384	\$319	\$352	\$186
% Change	-71%	-1%	10%	-10%	-1%	-8%	-7%

Snohomish County	\$93	\$64	\$43	n/a	n/a	n/a	n/a
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Note: medical and psychiatric services are included in the daily rate at Snohomish County

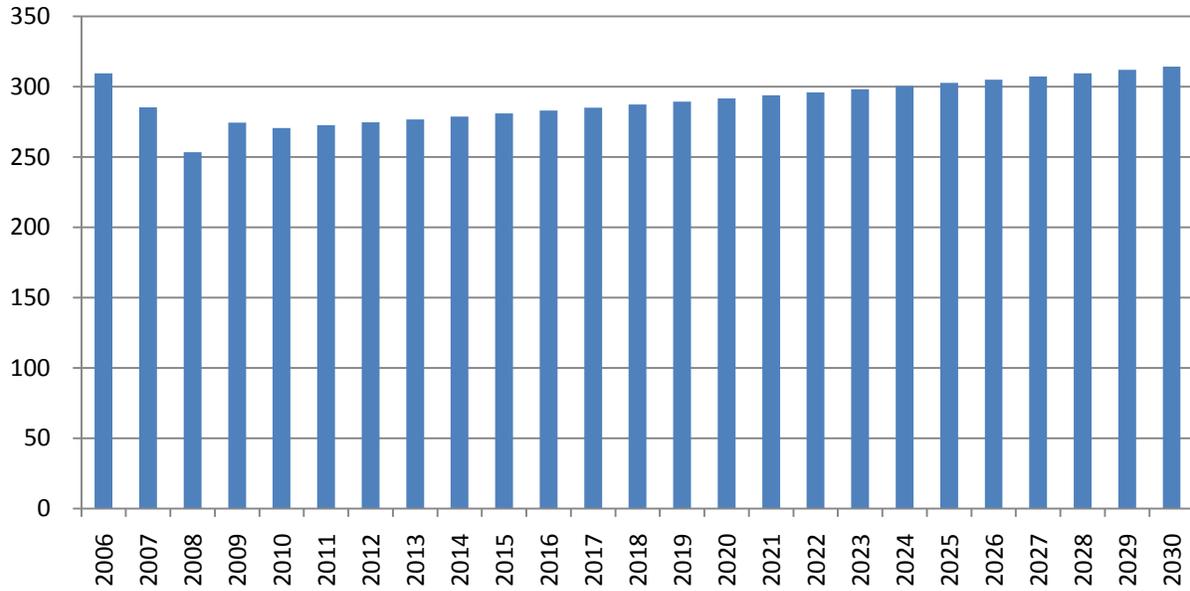
Attachment B –Historical and Projected Jail Population



- The average daily jail population has dropped by 50% from 1995 to 2011.
- This decrease is caused by a 55% decrease in jail bookings over the same period.

Total Jail ADP Actual & Projected

2006-2010 actual jail ADP
2011-2030 projected jail ADP



- The City's jail population is projected to grow at slightly less than 1% per year resulting in an estimated jail population of 314 by 2030. These numbers include inmates who are in work release (approximately 10 – 15).