

**SEQUIM CITY COUNCIL
AGENDA BILL 20-065**

MEETING DATE: July 27, 2020

FROM: Charlie Bush, City Manager CPB
 Sheri Crain, Police Chief SC
initials

SUBJECT/ISSUE: Criminal Justice Cost Allocation Study

Discussion dates	6/25/18	9/10/18	12/10/18	7/13/20
CATEGORY	<input type="checkbox"/> City Manager Report	<input type="checkbox"/> Information Only	Time Needed for Presentation	
	<input type="checkbox"/> Public Hearing	<input type="checkbox"/> Consent Agenda	15	
	<input checked="" type="checkbox"/> Other Business			
Reviewed by	Initials		Date	
Sara McMillon, City Clerk	SEM		7/22/2020	

PROBLEM/ISSUE STATEMENT

The Sequim City Council approved an interlocal agreement with Clallam County and the City of Port Angeles on December 10, 2018 to conduct a study of the criminal justice system to look for efficiencies and to consider better ways to fund the system. The study is now complete, and staff are seeking feedback and direction from the City Council regarding next steps.

LIST OF ATTACHMENTS

1. [Criminal Justice and Legal Services Level of Service and Efficiency Study Interlocal Agreement \(December 2018\)](#)
2. [Agenda Materials for BERK Presentation to the Clallam County Commission \(July 2020\)](#)
3. [Interlocal Agreement Between Clallam County and Sequim Regarding Criminal Justice Services \(January 2016\)](#)

DISCUSSION/ANALYSIS

To promote cost containment, predictability, and operating efficiencies, Clallam County, the City of Port Angeles, and the City of Sequim entered into interlocal agreements for the provision of criminal justice services in January 2016. Pursuant to these agreements, Clallam County is responsible for providing all work, functions, duties, prosecution, adjudication, indigent defense, sentencing, and incarceration for City of Port Angeles and City of Sequim misdemeanants. In

addition, the County is responsible for providing criminal justice services related to all felonies and juvenile prosecutions that occur within the County and the misdemeanor/gross misdemeanor offenses that occur within the unincorporated areas of Clallam County.

Since the consolidation of criminal justice services in 2016, Clallam County, the City of Sequim, and the City of Port Angeles (“Participants”) have had several roundtable discussions regarding the economic efficiencies and operational costs of this arrangement. In June 2018, the Clallam County Commissioners had joint meetings with the Port Angeles and the Sequim City Councils, requesting an amendment to the agreement to address forecasted increased public defense costs. In July 2018, Clallam County sent termination letters to both cities, terminating the interlocal agreements unless they could be revised to accommodate the additional projected costs. Later in the summer and into the fall, the parties met. Clallam County verbally agreed to rescind its termination letter and the parties agreed to do an efficiencies study of the system while waiting for more data regarding anticipated public defense cost increases. This discussion occurred with the Sequim City Council on September 10, 2018.

The efficiencies study is meant to better assess the status of criminal justice services provided under the interlocal agreements, and to analyze how those services might be provided. The Participants recommend hiring an independent professional consultant to conduct a study of the criminal justice system as it currently exists and operates due to limited staff time and expertise in this area among them. This agreement is necessary so that the study can be completed by the Participants in partnership.

Consultant services were sought to provide assessment of, and recommendations for:

1. Levels of service for each of the service areas;
2. Costs and revenues for each of the service areas;
3. Identification of alternative methods of criminal justice and legal service delivery that can realize service improvements, new efficiencies, and long-term financial sustainability;
4. Analysis of cost increases in the criminal justice system over the past five years, and the various factors that have contributed, or will contribute, to those increases.

The City of Port Angeles served as the fiscal agent for the agreement, billing the other parties their share of expenses.

A steering committee, with two representatives from each of the parties, provided direction to the consultant throughout the study.

The study was originally anticipated for completion by the end of 2019, but completion was delayed due to elected official turnover, additional coordination needed among the parties, and COVID-19. Study costs were split three ways, with Sequim’s contribution not to exceed \$30,000.

All three organizations’ elected bodies were to receive a briefing once the study is complete. This briefing with the Clallam County Commission and the Port Angeles City Council occurred on July 13, 2020, and was attended by Councilors Kincaid, Pence, and Tenneson. A recording of the meeting is at: https://clallam.granicus.com/MediaPlayer.php?view_id=2&clip_id=827.

The attached slides are a summary of the final report, which will take the form of a longer set of slides (approximately 80) and include a recorded presentation of them. We have yet to receive the finalized full report but have seen and provided input to a near 100% completed version that

should be available by the end of this month. We will forward that material as soon as we receive it.

The findings provide a road map for future improvements to the system and initial savings might offset expected increases in public defense costs. The study identified a list of potential efficiencies that require additional discussion among the parties. It also produced several models that could be considered for revising cost sharing among the parties. Staff recommend that ongoing conversations focus on the efficiencies identified while not completely overhauling the original 2016 interlocal agreement by significantly changing the cost sharing model. The 2016 interlocal agreement requires an annual meeting of the parties to the system and it normally occurs each August. The parties have had preliminary discussions about more deeply diving into the efficiencies identified in the study using this year's meeting as a starting point. Members of the Board of County Commissioners were supportive of this approach at their July 13 meeting. Considering the original debate launching this study concerned public defense costs, staff recommend Sequim explore how to mitigate negative impacts to Clallam County that are financially related to public defense changes in State law, if those concerns remain. The result may be a 2016 interlocal agreement amendment for Council consideration at a future date.

FINANCIAL IMPLICATIONS

Some up-front investments may be required to realize efficiencies identified in the study. Staff would return to Council for any investments that would exceed existing budget authority or require additional interlocal agreement provisions.

RECOMMENDATION

Policy options for Council consideration are:

- 1) Direct staff to engage in discussions of realizing further efficiencies in the criminal justice system as identified by the study, including exploring ways to deal with any cost increases to Clallam County resulting from changes to State public defender laws. In addition, staff would execute any mutually agreeable efficiencies within existing budget authority, coming back to the Council for further direction or authorization, as needed.
- 2) Direct staff to negotiate a new interlocal agreement with Clallam County to replace the existing interlocal agreement. The City of Port Angeles is not interested in renegotiating and this may result in the scenario described under option 4 below.
- 3) Direct staff to maintain the 2016 interlocal agreement without making any changes or engaging in any further conversations beyond what is required in the agreement. This might result in another termination letter from the County, requiring the City to follow the actions listed in option 4 below, or litigation.
- 4) Terminate the 2016 agreement with the County. This would require the City of Sequim to quickly determine how it would provide court, prosecution, public defense, and jail services. Some of these might still be available through Clallam County but likely at a higher cost. From a prior study, we know that hosting our own municipal court services would require an additional expense from the City's General Fund of several hundred thousand dollars per year, in addition to several hundred thousand in start-up costs.

Staff recommends option 1.

MOTION

I move to direct staff to pursue option 1, engaging in conversations with the parties regarding potential additional criminal justice system efficiencies and exploring limited changes to the interlocal agreement, as needed, to address increased public defense costs incurred by Clallam County.