

JOINT RESOLUTION

BENTON COUNTY RESOLUTION NO:_____

FRANKLIN COUNTY RESOLUTION NO: _____

BEFORE THE BOARDS OF COMMISSIONERS OF BENTON AND FRANKLIN COUNTIES, WASHINGTON;

IN THE MATTER OF APPROVING A MEMORANDUM OF UNDERSTANDING AND AGREEMENT BETWEEN THE BOARDS OF COMMISSIONERS OF BENTON AND FRANKLIN COUNTIES FOR THE ALLOCATION OF JUVENILE JUSTICE CENTER OPERATIONS, FACILITIES, CONSTRUCTION, AND USAGE COST OF THE JUVENILE JUSTICE CENTER, OWNERSHIP OF JUVENILE JUSTICE CENTER, AND RESCINDING BENTON COUNTY RESOLUTION 2016-942 & 2017-807 AND FRANKLIN COUNTY RESOLUTION 2016-436 & 2017-332

WHEREAS, pursuant to RCW 36.01.010 and RCW 36.32.120, the legislative authority of each county is authorized to enter into contracts on behalf of the county and have the care of county property and management of county funds and business; and

WHEREAS, the Boards of Benton and Franklin Counties have previously entered into a Memorandum of Understanding for Juvenile Justice Center Operations and Facilities costs via Benton County Resolutions 2016-942 & 2017-807 and Franklin County Resolution 2016-436 & 2017-332; and

WHEREAS, both Boards of County Commissioners desire to update the existing Memorandum of Understanding to address the remodel of the Juvenile Justice Facility and the incorporation of the Annex building, revise the allocation of costs for that facility, identify the Usage Fee for Franklin County for the Juvenile Justice Center, address the ownership of the Juvenile Justice Center property and facility, and reiterate the funding formula by which the counties allocate for the direct costs of operating the Juvenile Justice Center; and

WHEREAS, the current Juvenile Justice Center was built in 1979 with an addition added to the facility in 1996. The building and systems have increasingly been dilapidating overtime and are in need of significant improvement, which includes, the fire alarm system, electrical, communications, and HVAC system; and

WHEREAS, the parties agree that an appropriate renovation to the facility to extend its life and improve the facility so that it will serve its purpose for the long term will cost approximately \$21,000,000 or more; and

WHEREAS, Benton County has the available funding to satisfy its share of such costs to bring the building up to code and more in-line with the current needs, but Franklin County does not have such funds available to pay for its cost share of roughly \$7,000,000; and

WHEREAS, in return for Benton County funding the entire cost of the renovation of a jointly owned facility, Franklin County has agreed to relinquish its interest in and share of ownership of

the current Juvenile Justice Center building and property that sits on parcel 133992020015001 and the adjacent parcel 133992020014002, and pay Benton County an ongoing Usage Fee in addition to sharing ongoing operation costs as it has historically done; and

WHEREAS, both parties wish to enter into the attached Memorandum of Understanding to allocate the costs of Juvenile Justice Center Operations, maintenance, renovation and usage and to address ownership of the current Juvenile Justice Center; **NOW, THEREFORE**

BE IT RESOLVED, the Board of Benton County Commissioners hereby approves the attached Memorandum of Understanding and Agreement between the Boards of Commissioners of Benton and Franklin Counties for Juvenile Justice Center Operations, Facilities, Construction, Usage Costs, and ownership of the current Juvenile Justice Center property and facility; and

BE IT FURTHER RESOLVED, the Board of Franklin County Commissioners hereby approve the attached Memorandum of Understanding and Agreement between the Boards of Commissioners of Benton and Franklin Counties for Juvenile Justice Center Operations, Facilities, Construction, Usage Costs, and ownership of the current Juvenile Justice Center property and facility; and

BE IT FURTHER RESOLVED, the attached Memorandum of Understanding shall be effective as of January 1, 2023, and shall remain in effect until it is terminated or superseded by another Memorandum of Understanding.

Dated this day of, 2022

Dated this day of, 2022

BENTON COUNTY, WASHINGTON

FRANKLIN COUNTY, WASHINGTON

Chairman of the Board

Chairman of the Board

Chairman Pro Tem

Chairman Pro Tem

Member

Member

Constituting the Board of County
Commissioners of Benton County,
Washington

Constituting the Board of County
Commissioners of Franklin County,
Washington

ATTEST:

ATTEST:

Clerk of the Board

Clerk of the Board

DRAFT

**MEMORANDUM OF UNDERSTANDING AND AGREEMENT BETWEEN THE
BOARDS OF COMMISSIONERS OF BENTON AND FRANKLIN COUNTIES
REGARDING JUVENILE JUSTICE CENTER COSTS**

WHEREAS, the Boards of Benton and Franklin County have previously entered into a Memorandum of Understanding for Juvenile Justice Center Operating and Facilities Costs via Benton County Resolution 2016-942 and amended by Resolution 2017-807 and Franklin County Resolution 2016-436 and amended by Resolution 2017-332; and

WHEREAS, the current Juvenile Justice Center was built in 1979, with an addition added to the facility in 1996; and

WHEREAS, the building and systems have increasingly been deteriorating over time; and

WHEREAS, Benton County has the ability to finance a major remodel of the current facility estimated to cost over \$20 million dollars, to include incorporation of a separate Benton County owned building (the Annex) as part of the Juvenile Justice Center facility, to satisfy the current needs of our community; and

WHEREAS, Franklin County has agreed to relinquish its interest and share of ownership of the current Juvenile Justice Center building and property that sits on parcel 133992020015001 and the adjacent parcel 133992020014002; continue to share the operational cost of the services provided there and the future maintenance of the facility and pay a Usage Fee for the new facility in lieu of contributing to the renovation costs; and

WHEREAS, both Boards of County Commissioners desire to replace the parties' existing agreement and enter into a new Memorandum of Understanding to reflect the parties' agreed allocation for the costs of services and maintenance as well as Franklin County's Usage Fee for the new facility and consolidate ownership in Benton County's name.

IT IS THEREFORE MUTUALLY AGREED by all parties as follows:

1. The contributions for each county for Juvenile Justice Center Departments 171 and 172 shall be according to Benton County Resolution No. 2022-958 and Franklin County Resolution No. 202-345 adopted by the counties on December 20, 2022. No later than ~~December 31, 2022,~~ and December 31, 2023, ~~respectively,~~ the contributions of each county for Juvenile Justice Center Departments 171 and 172 for the ~~2023 and~~ 2024 fiscal years, ~~respectively,~~ shall be determined and set by a Joint Resolution in accordance with the following formulas:

- a. The costs reflected in Department 171 approved by the counties through their budget process shall be split between Benton County and Franklin County based upon the ratio of each county's juvenile population of twelve to seventeen year olds to the total Bi-County juvenile population, ages twelve to seventeen years old, averaged over five year periods. The ratio shall be determined as of the date that the annual budget call letter is released by Benton County and for that upcoming budget shall be the average percentage for each county based on the most recent five years of census data from the State of Washington Office of Financial Management, or other State of Washington agency

subsequently responsible for county census data, available on the date of the budget call letter.

- b. The parties agree to share the costs reflected in Department 172 in the ratio of seventy-two percent (72%) paid for by Benton County and twenty-eight percent (28%) paid for by Franklin County.

2. No later than December 31, 2024, and each December 31st thereafter, the contributions of each county for Juvenile Justice Center Department 171 for 2025 and each following fiscal year shall be determined and set by Joint Resolution for the 2025 calendar year and all calendar years thereafter. The Juvenile Justice Center Operating Costs reflected in Department 171 approved by the counties through their budget process shall be split between Benton County and Franklin County based upon the ratio of each county's juvenile population of twelve to seventeen years old to the total Bi-County juvenile population, ages twelve to seventeen years old, averaged over five year periods. The ratio shall be determined as of the date that the annual budget call letter is released by Benton County and for that upcoming budget shall be the average percentage for each county based on the most recent five years of census data from the State of Washington Office of Financial Management, or other State of Washington agency subsequently responsible for the county census data, available on the date of the budget call letter.

3. Effective January 1, 2025, the parties agree to share the ongoing maintenance/facilities costs of the Juvenile Justice Center, formerly reflected in Facilities Department 172 adopted by both counties, by allocating the Juvenile Justice Center facility costs budgeted by Benton County using the same ratio as set forth above in Section 2 above. Franklin County acknowledges that upon completion of the contemplated renovation of the Juvenile Justice Center, Benton County's budgeted facility costs for the renovated Juvenile Justice Center will be in the sole discretion of Benton County and will be significantly increased to a level similar to the average facilities costs per square foot of other buildings owned and maintained by Benton County. The expected facility costs will also increase due to an expected increase in square footage of the renovated Juvenile Justice Center.

4. The employers' contribution for the VEBA program shall continue to be considered part of the operation costs set forth in the two counties' budgets for Department 171 for the Juvenile Justice Center and shall be allocated between Benton and Franklin counties in accordance with the ratios set forth above in Sections 1.a and 2 for operating costs.

5. Upon completion of the renovated Juvenile Justice Center, Starting the first day of the eighth month following issuance of a Certificate of Occupancy after the renovation of the Juvenile Justice Center, Franklin County will pay Benton County a monthly Usage Fee of \$12,500 per month as compensation for Franklin County's use of the new facility and the right to locate the juvenile services for Franklin County within Benton County's building. This eight month delay in the requirement to pay the Usage Fee is in consideration of the value of Franklin County's ownership interest in the facility prior to renovation and is based on the Opinion of Value provided by the Benton County Treasurer and the Franklin County Auditor.

6. Benton County will pay the cost to renovate the current Juvenile Justice Center and the Annex building. Future work on the facility that extends its useful life, enhances its value or adapts

its function will be considered capital improvement costs that will be paid by solely Benton County and undertaken at its discretion.

7. Within thirty (30) days of execution of this MOU, Franklin County will execute a quit claim deed to convey to Benton County all ownership Franklin County has in the current Benton/Franklin Juvenile Justice Center that sits on tax parcels 133992020015001 and 133992020014002 and that is legally described on **Exhibit A** attached hereto

8. By January 20th of 2023 and each year thereafter, Benton County shall submit an invoice to Franklin County identifying the amount owed under Section 5, if any, and amounts owed for operations and facilities costs for January and February using the percentages required by Sections 1 or 2 above and the budgeted amounts for that year for Department 171 and for 2023 and 2024 only for Department 172 that were approved by the counties. Thereafter, to maintain adequate cash flow in the Juvenile Justice Center Fund, Benton County will bill Franklin County by the 20th of each following month for payment of the Usage Fee due under Section 5 and Franklin County's share of the upcoming month's budgeted expenses, again using the percentages required by Section 1 or 2 above and the budgeted expenses for Departments 171 (and Department 172 for 2023 and 2024 only). Payments by Franklin County under this Section 8 for operations and facilities maintenance costs are for the estimated amount Franklin County owes for the actual expenditures for each month. An accounting and payment adjustment will be submitted under Section 12 below so that Franklin County ultimately only pays its share of actual expenditures in addition to the Usage Fee owed.

9. Franklin County also will pay Benton County an administrative fee to address the indirect costs incurred by Benton County in connection with the operation of the Juvenile Justice Center. The monthly administrative costs payable to Benton County shall be the sum of one twelfth (1/12) of the total budgeted expenses reflected in Department 171 Operations, Department 172 Facilities (adopted by both counties for 2023 and 2024 and by Benton County only for subsequent years), Department 173 Fee-for Services, and Department 174 Grant of the Juvenile Justice Center approved budget, multiplied by Franklin County's percentage of operating and facilities costs as determined by Section 1.a and 1.b above for 2023 and 2024 or as determined by Section 2 for subsequent years, multiplied by five percent (5%). In other words, if the annual budgeted expenditures for those 4 departments amounts to twenty thousand dollars (\$20,000) and the Franklin County portion of operating and facilities costs established under Section 1.a & 1.b is thirty three percent (33%), the calculation of Franklin County's month administrative fee under this subsection for that particular year would be $20,000 \times 1/12 \times .33 \times .05$.

10. Benton County shall calculate the total monthly administrative fee owed by Franklin County and add that amount to the monthly invoice that will be submitted to Franklin County for the monthly contributions and payments of Franklin County required under Sections 1 through 5 of this Memorandum of Understanding.

11. Franklin County agrees to pay all amounts due under Sections 1 through 10 of this Memorandum of Understanding within twenty (20) days of the date of each invoice.

12. By April 15th of each year, Franklin County shall receive a final invoice for the prior year showing the credit, if any, to which Franklin County is entitled with respect to its payments under Section 8 above by comparing Franklin County's appropriate share of the actual expenditures for

Departments 171 and 172 of the Juvenile Justice Center Operations and Facilities budgets, using the percentages set forth in Section 1.a and 1.b above for 2023 and 2024 and Section 2 for subsequent years, to the amount Franklin County paid over the prior year pursuant to Section 8. The invoice will also reflect the appropriate credit, if any to which Franklin County is entitled with respect to its payments under Section 9 (administrative fee) above. That credit, if any, shall be calculated by using annual expenditures for the year in Department 171, 172, 173 and 174 multiplied by five percent (5%) and multiplied by the applicable percent under Section 1.a and 1.b for 2023 and 2024 and under Section 2 for subsequent years, all subtracted from the total payments for the year that were made under Section 9 (administrative fee) above.

13. This Memorandum of Understanding shall commence January 1, 2023 and shall remain in effect until it is either terminated or superseded by another Memorandum of Understanding.

14. Until January 1, 2033, this agreement may be terminated by a party only if:

- a. -the other party breaches one or more of its obligations hereunder and fails to cure such breach within thirty (30) days of receipt of written notice of such breach from the other party, with such termination being effective at the end of such thirty (30) day cure period; or
- b. the Juvenile Justice Center facility has refused to accept one of more juvenile offenders being prosecuted by that party for three (3) consecutive months solely due to inadequate housing capacity of the facility, then either county may terminate this agreement effective at the end of a Benton County budget cycle only and only if written notice of then intent to terminate under this provision is given and received by the other board of county commissioners at least six (6) months prior to the effective date of such termination.

15. After January 1, 2033, if either Benton County or Franklin County determines that the allocation of costs or fees charged under this Memorandum of Understanding are no longer appropriate or desire to terminate this agreement for any other reason, either county may terminate this agreement effective at the end of a Benton County budget cycle only and only if written notice of the intent to terminate this agreement is given and received by the other board of county commissioners at least twelve (12) months prior to the effective date of such termination. For ten (10) years following the effective date of this agreement, it may be terminated by a party only if the other party breaches one or more of its obligations hereunder and fails to cure such breach within thirty (30) days of receipt of written notice of such breach from the other party. After such ten (10) year period, if either Benton County or Franklin County determine that the allocation of costs or fees charged under this Memorandum of Understanding is no longer appropriate, either county may terminate this agreement effective at the end of a calendar year only and only if written notice of the intent to terminate this agreement is given and received by the other board of county commissioners at least twelve (12) months prior to the effective date of such termination.

16. The Memorandum of Understanding approved by Benton County Resolution 2016-942 and Resolution 2017-807 and Franklin County Resolution 2016-436 and Resolution 2017-332 are superseded as of the date this MOU is executed to the extent inconsistent with the MOU. This Memorandum of Understanding contains the entire agreement and understandings of the parties

hereto with respect to the Juvenile Justice Center costs and supersedes and nullifies all other writings or agreements related thereto.

Dated this day of, 2022

Dated this day of, 2022

BENTON COUNTY, WASHINGTON

FRANKLIN COUNTY, WASHINGTON

Chairman of the Board

Chairman of the Board

Chairman Pro Tem

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