



KOOTENAI COUNTY

BOARD OF COMMISSIONERS

JAI NELSON

Media Release

From: Commissioner Jai Nelson
Date: August 26, 2014
Re: Filing in Opposition to Judicial Confirmation for Jail

I have recently filed in opposition to the Judicial Confirmation proceedings for a lease for a new jail facility. The citizens of Kootenai County have spoken loud and clear with a “No” vote on jail bonds in 2005, 2008 and 2009. I’m filing in opposition to this private-public business arrangement to represent the citizens whose voices are being circumvented by this process.

The lease concept and expanded facilities require a tremendous amount of new resources and funding without the corresponding income. The plan includes an additional 300 beds with a future pad for another 192 for an overall total capacity of 817 beds. Housing more inmates will cost county taxpayers for additional food, medical expenses, added transport deputy’s to take them to court and back, more staff to keep track of their hearing schedules, attorney meetings and family visitations. There are new insurance requirements and a new jail campus and buildings to maintain along with the current facilities.

Over the proposed 20 year lease period, our county will spend from \$7,893,833 million to \$9,975,219 million annually on lease payments along with the numerous additional obligations created with this arrangement. Only the first year will see a saving of \$648,000, which is the average amount spent on out-of-county inmate housing for the past four years. After year one, this savings will no longer budgeted and this one-time reduction will be lost.

The goal of this lease is to solve our overcrowding issue—but with an exorbitant cost and concept. On a typical day in 2014, our out-of-county housing needs are about 20 to 30 beds, certainly not in the neighborhood of 300; let alone 492. In fact, for the upcoming fiscal year, we lowered the out-of-county housing budget by nearly \$100,000 due to

underuse. We are trading in a nominal housing problem, at the average yearly cost of \$648,000, for a gold-plated solution with an 1,200 percent escalation factor which equates to a \$8.9 million dollar annual remedy.

This proposal includes leasing out extra beds. The projected revenue for renting extra bed space is pure speculation and there are no guarantees that any revenue will be realized from day to day, let alone from year to year. When we lease out beds to the state, their reimbursement rate doesn't even cover our costs to house inmates. By law, the state only pays \$45 per bed/per day. In 2013, the cost to house an inmate in our facility was \$91.20 per bed/per day. County taxpayers supplement the state's inmates by over 100 percent. With the new proposal and lease payments, the cost per day will increase and the additional costs supported by county taxpayers will rise dramatically.

At the end of the lease term, in 2035, the county will have spent between \$157 million and \$199 million with nothing in return. With lease termination, the county will have no rights to the jail facility; have no equity in the property and no option to purchase the property. For twenty years, millions of county taxpayer dollars will have been tossed into the wind.

Using the last bond request from 2009 of \$57 million, we could build and own outright over three jail facilities with the funds being proposed on this concept. Instead, when the agreement expires, we will have 625 inmates and nowhere to go, with a duty and an obligation to house them. This concept saddles future commissioners with astronomical expenses which are impossible to fund. The county commissioners and sheriff holding office in 2035 will not only be faced with an insurmountable predicament for housing inmates--they will be in a financial crisis. This privately owned jail campus isn't just a bridge to nowhere; it's a rocket ship into a black hole.

The draft lease submitted to the court is simply that—a draft. The draft has too many loose ends, unwritten and missing sections and leaves far too many unanswered questions. This proposal leads to an indebtedness and liability which is prohibited by law. This concept to rent jail facilities is not in the best interest of the citizens of Kootenai County. By not placing this issue on the ballot it is a violation of the will of the people and a direct violation of the Idaho Constitution.

The Judicial Confirmation Hearing has been assigned to Judge Stegner from the 2nd judicial district. The hearing is scheduled for this Friday, August 29, 2014 at 1:00 pm. For comments and questions please contact Commissioner Jai Nelson at 446-1604 or via email at jnelson@kcgov.us.