

MINUTES OF PUBLIC HEARING &
SPECIAL MEETING OF COMMISSIONERS
OF PUBLIC UTILITY DISTRICT NO. 3
OF MASON COUNTY, WASHINGTON

President Gott called the public hearing to order at 5:00 p.m. The public hearing and special meeting were held in the PUD 3 auditorium, at 2621 E Johns Prairie Road in Shelton, Washington, on Monday, December 19, 2016.

The hearing was held to receive comments and consider the disposition of the PUD 3 Administration Building at 307 W. Cota Street, Shelton, Washington, and nearby parking lot through an intergovernmental transfer to Thurston Mason Behavioral Health Organization for purposes of establishing a Mason County involuntary triage facility pursuant to chapters 71.05 and 71.24 RCW.

District officers present were: Commissioners Thomas J. Farmer, Linda R. Gott, and Bruce E. Jorgenson; Finance Manager and Auditor Sherry Speaks; Manager Annette Creekpaum; and Attorney Robert Johnson.

The following PUD 3 personnel were present: Director of Business Services John Bennett; Engineering Services & Community Relations Manager Justin Holzgrove; Public Information & Government Relations Manager Joel Myer; Director of Engineering Terry Peterson; Records Coordinator Jennifer Renecker; Facilities Superintendent Dennis Simon; and Administration & Communication Services Manager Lynn Eaton (recorded minutes).

Members of the public in attendance were Dedrick Allen of *Mason Web TV*; Joe Avalos of *Thurston Mason Behavioral Health Organization (BHO)*; Bud Blake of *Thurston County Commissioner*; Tom Davis of Shelton; Amy Davis of Shelton; Terri Jeffreys of *Mason County Commissioner*; Kevin Hanson of *Mason County Sherriff*; Jill Himlie of Shelton; Mary Jean Hrbacek of Shelton; Kathy McDowell of *City of Shelton Commissioner*; Dennis Neal of *NW Resources*; Todd Parker of Shelton; R. Jeanne Rehwaldt of *Mason Matters*; Casey Salisbury of *Mason County Sherriff*; Cheryl Stewart of Shelton; Marilyn Vogler of Shelton; and Don Welander of Shelton.

PUBLIC HEARING

Mr. Johnson explained that under RCW 39.33.020, the hearing was necessary to consider the disposition of the PUD 3 Administration Building at 307 W. Cota Street, Shelton, Washington, and nearby parking lot through an intergovernmental transfer to Thurston Mason Behavioral Health Organization for purposes of establishing a Mason County involuntary triage facility.

Mr. Johnson noted that the facility was recently appraised at \$500,000. He noted that the commission had previously received an offer from BHO at \$250,000 and had subsequently taken action to counter-offer at \$300,000.

Mrs. Creekpaum gave a brief history of the attempt to sell the property. She explained that the property was vacated in April of 2012 and the District has tried various methods to sell, however several potential deals have fallen through. She reported that since the PUD has vacated the building it has cost approximately \$188,000 to maintain it through December of this year.

Mrs. Creekpaum gave a brief overview of the BHO's intended use for the facility. She noted that it will be a ten bed, 24-hour facility, for involuntary placement of potential mental health patients who are at risk of incarceration.

PUBLIC COMMENT

Ms. Gott announced that public comment would be taken at this time.

Mason County Commissioner Terri Jeffreys, who also represents the county on the board of the Behavioral Health Organization, provided background information about the organization and need for the facility. She explained that BHO was formed through a partnership of Mason and Thurston counties to address needs that had been identified through a group of stakeholders including law enforcement, the hospital, and courts. The inappropriate use of the jail and hospital created a need for an alternative for law enforcement and first responders to deal with mental health patients on an involuntary basis. The mobile crisis team was created but was not adequate. She noted that the state legislature appropriated grant funding to address the need for involuntary commitment and divert those patients from the jails and hospitals to a facility similar to the one BHO is proposing at the PUD's

administrative building. The Behavioral Health Organization applied for \$2 million of the grant funding and received \$1 million. She pointed out that the money BHO receives from Medicaid is restrictive and cannot be used for capital expenditures, therefore the Mason County Commission will be taking action on providing BHO with \$275,000 out of the 0.001% mental health tax to assist with the purchase of a site. The \$1 million grant will provide for the necessary remodel expenses. She also noted that the City of Shelton had offered an alternate site, however BHO's architect determined it would not adequately meet their needs.

Mary Jean Hrbacek said that as a PUD 3 customer, she is in favor of the transfer of the building to BHO for this purpose. She testified from personal experience the difficulties it is to find services for mental health patients. She also worked for the Sheriff's office and noticed the need for more resources when she visited the jail. She said that it is difficult to serve mental health patients on a voluntary basis because they aren't competent to determine whether they need help or not. She wanted people to recognize that there is a stigma attached to mental illness, but it is just like any other illness or injury in any other area of the body. This facility wouldn't provide long-term needs, but since patients need to start somewhere, it should be in their own communities.

Shelton resident Marilyn Vogel spoke next. She said she was in favor of the PUD disposing of the property through an intergovernmental transfer to BHO at the cost of \$275,000. She also serves on the Poverty Advisory board and said that there are zero services that are available for these types cases. She explained that many groups without funding and people without training are left trying to handle them. She noted that in conversations with law enforcement, she has become aware of the repeat cycle of mental health patients who end up taking up law enforcement and hospital time and resources without adequate means to address their issues. She feels that this facility would provide a service that helps the community as a whole.

City of Shelton Commissioner Kathy McDowell said she was speaking as a citizen of Shelton, not as a city commissioner. She said she was opposed to the intergovernmental transfer, since she would like to see Cota street developed as an arts district. She also doesn't think this type of facility is appropriate in the main shopping area of downtown and so close to residential neighborhoods. As a city commissioner, she noted that she understands how the lack of such a facility places a burden on law enforcement.

Jeanne Rehwaldt spoke as the Executive Director of Mason Matters and noted that she was also on the advisory board for BHO. She said she is in support of the sale. She explained that downtown Shelton already has a problem with people dealing with substance abuse and mental illness and this will provide a place for them to begin getting help. She noted that the Thurston County triage center was well done. She explained that Mason Matters is very involved with the Community Health Improvement project and will be kicking off a Moving Mason Forward program which promotes improving the health and wellness of Mason County. She provided many statistics on mental illness and the correlation to homelessness, substance abuse, child abuse, education, and employment. She hopes that more focus on these issues will help to build a culture of health and wellness.

Sherriff Casey Salisbury said that in his 29 years of being a first responder, not much has happened to improve resources for mental illness. He said he is in charge of operating the largest mental health facility in the county (the Mason County Jail). He noted that while the governor proposed \$300 million dollars be committed to mental health issues, that only scratches the surface. He said that will only allow for 3 additional mobile crisis units for 39 counties. He explained that cycling the same people in and out of the system happens at a tremendous cost. This is a nationwide problem, but Mason County has no facility to deal with it. He urged commissioners to vote in favor of transferring the property but wanted BHO to consider the long-term financial plan for the sustainability of the services and the facility.

Dennis Neal spoke as the owner of Northwest Resources. He purchased the District's engineering building and remodeled it into a 16 bed residential treatment center for men. He is in support of the sale and agrees with the need for this service as well. He also agreed that there is a stigma surrounding mental health and substance abuse. In his opinion, the issues are misunderstood. He said people were afraid when his organization moved into the engineering building, however he said they spent much time cleaning up. Now people have a place to be treated with respect. He said that this proposed use of

the building will bring industry that is not currently here. It will bring jobs, and it would be nice if people could see it for what it is. He said he still sees a need for primary medical care services.

Tom Davis spoke as a volunteer veteran coordinator. He said from time to time the veterans he deals with have a need for mental health services, so he intended to speak about the need for this type of service. However, since there has been so much testimony, the need is apparent. He informed the commission that he has been in real estate for 35 years. He noted that all of the agencies involved are public agencies and that the commission should base their decision on what is in the public's best interest. He said that the ratepayers have already paid for the building once before, and now they are being asked to pay for it once again. He pointed out that since there is a negative value to the structure, the commission has an opportunity to contribute it and relieve the PUD from liability. There are no potential buyers and it has been on the market for 5 years. He said the longer it is on the market the more stigma a property has. He mentioned that the NW Resources has improved the neighborhood and BHO couldn't be more perfectly balanced than next door to NW Resources. He suggested the commission quit claim the building to BHO.

Bud Black spoke as a Thurston County Commissioner who also represents Thurston County on the board of BHO. He gave a brief background of BHO and explained that in September of 2016 the Thurston Mason BHO opened a triage center similar to the proposed one here in Thurston County. He said this gives law enforcement another tool to use in dealing with mental health issues rather than taking the patient to jail or the hospitals which are both inadequately equipped to deal with them. He said that the Thurston triage center started as a voluntary program but has evolved into an involuntary facility. In addition to dealing with the medical/mental issues, they also have legal resources available in order to deal with the legal process and that it is working wonderfully. They are currently working on the ability to provide a detox facility since those services are currently contracted out.

Joe Avalos of Thurston Mason Behavioral Health Organization explained that their desire is to ensure that we have quality services in both counties. He noted that BHO was excited when awarded the commerce grant to bring the facility to Mason County. He said they have been working to bring new services to Mason County through their expanded advisory board. He said it makes it tough to coordinate services when you have to send people out of their county. He agreed that having a facility next to the NW Resources would be valuable and they are looking at adding a detox facility upstairs in the future.

Sherriff Kevin Hanson said he was brought in by Sherriff Salisbury in September from Lewis County to run the Mason County jail. He said it was like stepping back 20 years and that Mason County is behind in many areas. He pointed out that citizens are paying \$110 per day to house people who don't belong in jail. He estimated that 90 percent of the people being held suffer from substance abuse or mental health problems.

With no further public comments, Commissioner Gott adjourned the public hearing at 5:53 p.m.

SPECIAL MEETING

Ms. Gott called the special meeting to order at 5:53. It was announced that the commission would take a short break and meet in executive session for the purposes of item 42.30.110(1) (c) To consider the minimum price at which real estate will be offered for sale or lease. The executive session is estimated to last approximately 10 minutes, with potential action to follow.

Upon return, the commission went into executive session at 5:59.

At 6:04, the executive session adjourned and the special meeting reconvened.

ACTION ITEMS

Mr. Jorgenson moved, motion seconded by Mr. Farmer, to authorize the disposition of the PUD 3 Administration Building at 307 W. Cota Street, Shelton, Washington, and nearby parking lot through an intergovernmental transfer to Thurston Mason Behavioral Health Organization for purposes of

establishing a Mason County involuntary triage facility for the amount of \$275,000 pursuant to the terms and conditions set in the draft purchase and sale agreement. The MOTION PASSED UNANIMOUSLY.

With no further business appearing, the special commission meeting adjourned at 6:07 p.m.

Linda R. Gott, President

ATTEST:

Bruce E. Jorgenson, Vice President

Thomas J. Farmer, Secretary