



STATE OF WASHINGTON
OFFICE OF FINANCIAL MANAGEMENT

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August 25, 2014

The Honorable Pat McCarthy
Pierce County Executive
Chair, Alliance for a Healthy South Sound
2000 Lakeridge Drive SW, Building 1
Olympia, WA 98502

Dear Chair McCarthy:

This letter is in response to your request, on behalf of the Alliance for a Healthy South Sound, for an update concerning a long-range planning process for McNeil Island. Thank you for the many contributions of the Alliance and your respective organizations during the study conducted in 2012. Washington State values your partnerships and interest in perpetual public ownership of the island.

As directed by the Legislature, the Office of Financial Management published a *McNeil Island Inventory and Long-Range Planning Process Report* in November 2012 that recommended a long-range planning process for the future of McNeil Island to begin in the 2013-15 biennium. The Legislature did not provide funding for a long-range planning process in either the 2013-15 biennial operating budget or the 2014 supplemental operating budget.

In the current 2013-15 biennium, the state Department of Social and Health Services continues to operate a Special Commitment Center on McNeil Island for sexually violent predators who have been civilly committed by superior courts. The state Department of Fish and Wildlife continues to passively manage part of McNeil Island, along with Gertrude and Pitt Islands, for wildlife conservation.

Per legislative direction in the 2013-15 operating budget, state agencies implemented the following three provisos related to McNeil Island:

- The Department of Social and Health Services (DSHS) transferred stewardship of McNeil Island to the Department of Corrections industries program, effective fall 2013. The transferred responsibilities include marine operations, waste water treatment, water treatment, road maintenance, and any other general island maintenance that is not site specific to the operations of the Special Commitment Center or Secure Community Transition Facility on the island. Facility maintenance within the perimeter of the Special Commitment Center remains the responsibility of the DSHS. Capital repairs and maintenance necessary to maintain the Special Commitment Center on McNeil Island are also managed by the DSHS.



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- The Department of Corrections (DOC), through Correctional Industries, assumed responsibility of all island maintenance excluding site specific maintenance operations for the Special Commitment Center and the Secure Community Transition Facility. As part of its industries program, DOC provides job skills to offenders while providing minimum maintenance and preservation.
- The Department of Enterprise Services coordinated with the federal government to issue a procurement to obtain an appraisal to determine the fair market value of Parcel 1 on McNeil Island. As the proviso states, "the legislature intends to review for purchase parcel number one and surrounding property on McNeil Island."

The Legislature did provide funding for the appraisal of Parcel 1 in the 2014 supplemental operating budget. Parcel 1 is one parcel of the 24 numbered parcels in the correctional deed between the federal government and Washington State. Parcel 1 includes approximately 85 acres of land (including the primary access point to the island) and existing improvements, which consist of approximately 47 facilities. A subset of Parcel 1 is referred to as the former main prison complex within Parcel 1. In June 2014, the state Department of Enterprise Services (DES) issued a Request for Qualifications and Quotations related to a property appraisal for Parcel 1 and a subset of Parcel 1 on the island. In August 2014, DES entered into a contract with the successful vendor. The appraisal is expected by the end of October 2014.

Washington State is in regular contact with the federal government through the U.S. General Services Administration regarding the future of McNeil Island. The State is working with the federal government to preserve options for future use of the property and to ensure the continued, uninterrupted operation of the Special Commitment Center. The State expects to operate the Special Commitment Center and Secure Community Transition Facility on the island for the foreseeable future. Public access remains restricted based on deed language and current operations.

Thank you and the Alliance for a Healthy South Sound for your ongoing interest in McNeil Island. The State would like to maintain partnerships with you and your organizations. Upon receipt of the appraisal, the State will evaluate and determine next steps including opportunities for partners to help. If you have further questions at this time, please feel free to contact John Lane, Legislative and Legal Counsel for the Office of Financial Management, at 360-902-0651 or john.lane@ofm.wa.gov.

Sincerely,



David Schumacher
Director

cc: Randy Neatherlin, Mason County Commissioner, Vice Chair, Alliance for a Health South Sound
Sandra Romero, Thurston County Commissioner
Connie Ladenburg, Pierce County Council Member
Dave Lopeman, Chair, Squaxin Tribe
Jeff Dickison, Squaxin Tribe
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