

BOARD OF MASON COUNTY COMMISSIONERS' BRIEFING MINUTES

Week of February 25, 2013

According to staff notes, the following items were discussed.

Monday, February 25, 2013

8:30 A.M. Prosecutor/Auditor – Tim Whitehead, Chief DPA & Karen Herr, Auditor
Commissioners Neatherlin, Sheldon and Jeffreys were in attendance.
Tim Whitehead and Karen Herr briefed the Board on the petition submitted to merge a portion of Fire Protection District (FPD) 9 into FPD 6. Mr. Whitehead explained that RCW 52.06.090 requires the petition must be signed by not less than 15 percent of the qualified electors residing in the area to be merged. The Auditor determines sufficiency of signatures. There was discussion of the petition and how it was presented for signatures. There is the understanding that some of the people who signed the petition would like to withdraw their name and Mr. Whitehead said this would be permissible. If there are sufficient signatures, the Board would then hold a public hearing to take comment and determine if the area would be better served by the merger and then it would go to an election. There was discussion of who would pay for the election and Mr. Whitehead said that is typically those who submit the petition. The Commissioners requested the Auditor to review the petition and report back within 30 days.

Cmmr. Sheldon left at 8:55 a.m. to attend the legislature.

9:00 A.M. Auditor's Office – Theresia Ehrich
Commissioners Neatherlin and Jeffreys were in attendance. Cmmr. Sheldon was absent.
The following items were reviewed:

- Discussed the Current Expense leave liability (\$2.7 million at 12/31/11), payouts totaled \$177,000 in 2012, and the available cash at 1/31/13 was \$50,848.
- Explained county's unemployment methodology and funding. Last quarter the unemployment bill was \$18,313 for five past employees. If this continues each quarter of this year, the total would be exactly the amount of allocations paid by the departments.
- Distributed a current cash flow for Current Expense, Public Health, and Roads.
- Distributed a Current Expense 2013 versus 2012 expenditure recap.
- Board asked if the bond and debt incurred for Belfair project was a responsibility of all the county's taxpayers, and it is.
- Cmmr. Neatherlin asked if Theresia has received the Belfair project capital asset categorization yet, and she has not.

9:15 A.M. Central Operations - Diane Zoren
Risk Management - Dawn Twiddy
Commissioners Neatherlin and Jeffreys were in attendance. Cmmr. Sheldon was absent.
The following items were reviewed:

- Election of Commission Vice-Chair on February 26 meeting agenda.
- Discussion of Hood Canal Coordinating Council on February 26 agenda. If Mason County continues membership, a Mason County Commissioner will serve as Vice-Chair.
- The Board agreed to host the next quarterly meeting with Squaxin Island Tribal Council in April.
- The Board would like to reaffirm Resolution No. 55-10 supporting WSDOT's work on Belfair Bypass. They had no edits.
- Civil Service resignation. The Board agreed to issue a news release for applicants.

9:30 A.M. Closed Session – RCW 42.30.140 (4) Labor Discussion
Commissioners Neatherlin and Jeffreys met in Closed Session with Bill Kenny from 9:40 a.m. to 10:30 a.m. for a labor discussion.

10:00 A.M. BREAK

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- 10:15 A.M. Public Works - Brian Matthews & Melissa McFadden
Utilities & Waste Management - Brian Matthews & Tom Moore
Commissioners Neatherlin and Jeffreys were in attendance. Cmmr. Sheldon was absent.
The following items were reviewed:
- Resolution for the 2013 Overlay County Road Projects.
 - Call for Bids for Emulsified Asphalt for calendar year 2013 and award contract. Contract will be announced during a regular meeting of the Board.
 - Pioneer School Speed Limit Zone.
 - Belfair Stormwater Grant Application – Ecology Water Quality Grant Funding SFY2014.
 - Contract Amendment No. 5 with Harris & Associates to continue assisting Mason County through the claims and dispute resolution process for the Belfair Wastewater and Water Reclamation Facility. Not to exceed \$82,469 and extends contract to December 2014.
 - Belfair Future Roads Map information into the Comp Plan.
 - Ecology and Loan information on the Belfair Sewer Project.
 - Connections for the Sewer System in Belfair
 - Utility District / Sewer District Requirements.
 - Sewer Advisory Committee Recommendations.
 - Water Conservancy Board information.
 - Solid Waste Drop Off.

- 10:45 A.M. Department of Community Development – Barbara Adkins
Commissioners Neatherlin and Jeffreys were in attendance. Cmmr. Sheldon was absent.
The following items were reviewed:
- Historic Preservation Commission – Permission to place on the Commissioners' March 5, 2013 Action Agenda the appointment of Steven Rose to the Historic Planning Commission. Commissioners had no specific comments or concerns.

- 11:00 A.M. Executive Session – RCW 42.30.110 (1) (b) Real Estate
Commissioners Neatherlin and Jeffreys met in Executive Session with John Keates and Lisa Frazier from 11:30 a.m. to noon for real estate.

- 11:30 A.M. Commissioner Discussion – there was no discussion.

BREAK – NOON

- 1:30 P.M. Executive Session – RCW 42.30.110 (1) (i) Potential Litigation
Commissioners Neatherlin and Jeffreys met with Tim Whitehead, Bill Kenny and Dawn Twiddy for potential litigation from 1:30 p.m. to 2:00 p.m.

- 3:00 P.M. Finance Committee – Treasurer Lisa Frazier & Auditor Karen Herr
In attendance: Cmmr. Randy Neatherlin, Cmmr. Terri Jeffreys, Treasurer Lisa Frazier, Auditor Karen Herr and Theresia Ehrich.
Ms. Frazier distributed year-end financial reports outlining checking and saving balances, investments, and cash reserves. State pool interest rate is currently 0.19% and the federal rate is: 0-.25%. She also distributed a statement of assets and transactions that are held by Mason County. Sales tax revenues continue to decline. There was a deficit of \$90,305 collected in 2012 compared to 2011.
A new revenue source was realized in 2012, which is a portion of the City of Shelton's Criminal Justice Sales Tax; the amount generated was \$19,220.
Ms. Frazier brought Certificates for Public Disclosure for the Finance Committee Members to sign. Cmmr. Neatherlin brought up concerns and Lisa agreed to get more clarification on the requirements before all members sign.
Ms. Frazier distributed a copy of Mason County's Investment Policy and Mason County's Debt Policy which should periodically be reviewed by the Committee. The Treasurer plans to send a

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draft copy of a Cash Handling Policy for Mason County to each Committee member to review. She is hopeful a policy will be adopted this year regarding this issue.

Discussion ensued regarding bond payments for which the County is currently responsible. Theresia distributed a copy of all county loan and bonds with repayment schedule by year for 12/31/11. Ms. Frazier assured the Commissioners that she would send each of them copies of Mason County's bond payment schedule. She mentioned that any new bond liability and county debt must be approved by the Finance Committee.

Karen Herr gave a brief update on the County's progress with implementing to the new MUNIS financial system. Next week is the last payroll training before going live on April 1st. There is still major concern on whether the Public Works WinCam system will upload successfully into the MUNIS system. Ms. Herr again mentioned the significant impact on her Financial Services Department in preparation for this implementation and Lisa concurred that her office is also tremendously impacted with additional workload in preparation for this new system.

After the Treasurer gave a brief overview of the responsibilities of the Finance Committee for the two new County Commissioners, she adjourned the meeting at 12:10 p.m.

Tuesday, February 26, 2013

~~5:00 P.M.~~ 5:38 P.M. Commissioner Discussion on Hood Canal Coordinating Council

Commissioners Neatherlin, Sheldon and Jeffreys were in attendance.

Cmmr. Sheldon gave a brief history of the Hood Canal Coordinating Council (HCCC) and that last fall the Commissioners gave notice to the HCCC that Mason County intended to withdraw from membership. Cmmr. Jeffreys related her knowledge of the HCCC and stated she is keeping an open mind. Cmmr. Neatherlin stated he has asked for information from the HCCC that has been forthcoming although there are still things that need to be addressed. Cmmr. Sheldon expressed concern that the HCCC seems to take an inordinate amount of staff and Commissioner time to participate. He compared the organization to ORCAA which deals with complex and often controversial issues and it takes a couple of hours a month. He would like HCCC to streamline their process. Cmmr. Neatherlin wants to protect the County's sovereignty and that HCCC has fiscal accountability. Cmmr. Jeffreys would like to see some of the money filter down to county staff doing the work. She does feel that HCCC has been responsive to Mason County. They have established a financial committee and are working on public outreach and developing performance measures. Staff gave a review of their involvement with HCCC. Cmmr. Neatherlin doesn't support the HCCC trying to take on more work, if they are already at capacity. Scott Brewer, HCCC, stated that at the February 20 meeting they did adopt a budget. They are on a biennium cycle so will be working on the 2013 – 2015 budget. The HCCC is audited annually. The Commissioners have an agenda item on this evening's agenda to address whether to continue with the HCCC.

Respectfully submitted,

Diane Zoren, Assistant to the Commissioners

BOARD OF MASON COUNTY COMMISSIONERS

Randy Neatherlin
Chair

Tim Sheldon
Commissioner

Terri Jeffreys
Commissioner