

BOARD OF MASON COUNTY COMMISSIONERS' BRIEFING MINUTES
Mason County Commission Chambers, 411 North 5th Street, Shelton, WA
Week of March 13, 2017

Monday, March 13, 2017

- 9:00 A.M. Executive Session – RCW 42.30.110 (1)(i) Litigation
Commissioners Shutty, Jeffreys and Neatherlin met in Executive Session with Tim Whitehead and Dawn Twiddy from 9:00 a.m. to 9:20 a.m. on a litigation matter.
- 9:15 A.M. Parks & Trails Advisory Board Interview
Commissioners Shutty, Jeffreys and Neatherlin interviewed Tina Post for the Parks & Trails Advisory Board. The Board indicated they would like to reappoint Monte Ritter and appoint Tina Post and Jesse Simms to the Board. The appointments will be placed on the March 21 agenda.
- 9:30 A.M. Audit Committee – Leo Kim
Commissioners Shutty, Jeffreys and Neatherlin were in attendance.
- Leo Kim provided updates on various audit items the Audit Committee has been addressing: DRS Audit Issues, Physical Inventory, Bank Reconciliation, Belfair Sewer Past Due Utility Accounts, Management Letter for Sheriff's Office – Theresia stated she has provided information to the State Auditor's Office; apparently there are still issues with restricted funds and credit cards; Theresia will send information to Leo as he acts as the liaison; Small and Attractive Assets is county-wide and initial notice has been sent to Departments. A work group will be formed; Budget Compliance is on-going; Cost Allocation is in progress; Credit Card Policy update is pending.
 - Commissioner Discussion
Cmmr. Jeffreys informed the Commissioners that Lynn Wall from the Navy Yard Kitsap will brief the Board on the details of the Sentinel designation that was presented at the Hood Canal Coordinating Council meeting.
Cmmr. Shutty stated he has discussed with Mike Pruett of Green Diamond who is supportive of this designation. It involves 100K acres.
- 10:00 A.M. Community Services – Dave Windom
Commissioners Shutty, Jeffreys and Neatherlin were in attendance.
- General Terms & Conditions Agreement between WA State Department of Social & Health (DSHS) and Mason County was presented and will be placed on agenda for approval.
 - May 4 is an all-staff training day for Community Services.
 - Provided update on legislation.
 - Community Services has pulled back commercial inspections to in-house.
 - Cmmr. Jeffreys asked that a YTD category be included on the permit activity report that Director Windom provides and provide year to year information and include revenues.
 - Cmmr. Jeffreys presented a draft letter from BHO to the Governor regarding full integration of public health and behavioral health
- Commissioner Discussion
- Lodging Tax Advisory Commission is meeting this week. Cmmr. Jeffreys brought up the fact that \$100,000 is spent on four visitor information centers (VIC). The impression from lodging establishments is they don't receive much benefit from the VIC's (heads in beds) and it costs out to about \$3 per visitor for the VIC's. The rent alone for the facilities is \$35,000 annually. Cmmr. Jeffreys' preference is one county-wide VIC.
 - Cmmr. Shutty mentioned a tourism app. Cmmr. Neatherlin supports a VIC in North Mason. Cmmr. Neatherlin stated he has had complaints on the marketing campaign being so website focused. The RFP's will be briefed before going out.

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- Cmmr. Neatherlin stated that Richard Beckman has notified him the counteroffer on Panorama Court property has been accepted. The Commissioners agreed to move forward on that.

10:30 A.M. BREAK

10:45 A.M. Public Works – Jerry Hauth/Melissa McFadden
Utilities & Waste Management

Commissioners Shutty, Jeffreys and Neatherlin were in attendance.

- Funding application to USDA Rural Development for the installation of water meters at the Rustlewood and Beard's Cove Water Systems. Matching funds will be from Beard's Cove reserve. Public Works will publish the required notice and the application will be placed on the agenda for approval.
- WSDOT SR 3 widening project signage participation and maintenance agreements for two electronic speed radar signs and three pairs of flashing crosswalk beacon signs. On-going maintenance is not allowed to be paid with road dollars and DOT recommended a possible agreement in the event one of the signs is damaged, not typical annual maintenance. Melissa McFadden asked about where, in the Road Fund, to fund the \$21,000 match. This will not be placed on agenda until both agreements are ready.
- Mason County Sportsmen Association talked to staff about a proposed shooting range on Public Works property. Melissa requested a proposal in writing.
- 40-acre parcel owned by Public Works, Cmmr. Jeffreys asked staff to review this property in order to consider surplussing the property. Frank is working on the appraisal.
- Cmmr. Neatherlin attended a TIP-CAP meeting and encouraged other Commissioners to attend a meeting.
- Public Works continues to use Johns Prairie location for salt storage.

Commissioner Discussion

- Cmmr. Jeffreys reported she participated in interviews for the update to economic element of the Comp Plan which will be paid from timber mill closure money (\$20,000). Community Services will manage the contract.
- Cmmr. Neatherlin brought forward a request to install something (bench, plaque) in honor of former Commissioner Jerry Lingle. The Commissioners are good with that and Cmmr. Neatherlin will bring forward a specific proposal.

11:30 A.M. WSU Extension Office – Justin Smith

Commissioners Shutty, Jeffreys and Neatherlin were in attendance.

- Justin Smith provided accomplishments and program updates of the Extension Office.

Commissioner Discussion – there was no discussion.

BREAK – NOON

2:00 P.M. Support Services – Frank Pinter

Commissioners Shutty, Jeffreys and Neatherlin were in attendance.

- Diane presented a spreadsheet that has all the advisory boards the Commissioners appoint members to and suggested the Commissioners attend the April meetings to present certificates of appreciation. The Commissioners agreed and assignments were made.
- Final review of the Scope of Work for 2017 contract with Economic Development Council was done. The contract along with the ADO designation will be placed on the March 28 agenda.
- MCRA/Sandhill Concession Vendor Award/Contract was approved for the March 14 agenda. Cmmr. Jeffreys was ok with awarding to all three responders however Cmmr. Neatherlin expressed concern there isn't enough business to support three vendors and some information was not provided by the third vendor. Two vendors will be awarded.

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- Call for bids for the Sandhill Park Renovation project will be advertised.
- Dept. of Justice National Criminal History Grant Application authorization was authorized. It was agreed to submit the budget anticipating a temporary staffing agency would be used to perform the work.
- There are several Grant Opportunities that Deb is looking for Commissioner direction on. In order to submit, she needs information from the criminal justice offices. Cmmr. Shutty will mention at the CJWT meeting.
- The CDBG public hearing will be rescheduled to April 4 to allow the required notification time.
- MOU with Sheriff's Deputies Guild will be placed on the March 14 agenda.
- AFSCME labor contract will be placed on the March 21 agenda.
- Request to list two additional surplus properties was reviewed. Cmmr. Neatherlin asked Jenifer to research if there are easements.
- Offer made for surplus property – 2370 Crestview Drive. The Board counter offered at \$4,500.
- Revision to Non-Represented Salary Range Table for Public Defense position (title change) will be on the March 21 agenda.
- Request to support the naming of Smith Island at Island Lake will tentatively be placed on the March 21 agenda. Cmmr. Shutty will reach out to the citizen's group.

3:30 P.M.

Support Services – Frank Pinter/Jeff Vrable

Review of County Capital Project Requests

Commissioners Shutty, Jeffreys and Neatherlin were in attendance.

- Review of the facilities requests made by county departments during the 2017 budget process.
- The relocation of the Clerk's office was discussed. Cmmr. Jeffreys noted that in the past, the judges commented that the proposed basement courtroom has issues including sight issues (due to pillar) and access through the back door. The proposed cost for the basement courtroom is \$100,000 with a lot of the work being done in-house.
- Review of REET 1 Capital Improvement Program for 2017-2025 for funding. \$739,000 is available for 2017 improvements
- Discussion of using REET 1 for labor costs that will save Current Expense dollars and \$300K in the IT Fund for capital expenditures. IT will be unable to spend that entire amount in 2017 and could reverse \$200K back to Current Expense.
- Cmmr. Neatherlin reviewed those projects he supports in 2017. Facilities will evaluate emergency buttons at Assessor workstations.
- Approved projects for 2017: Relocation of the Clerk's Office to first floor of Courthouse; mechanical for courthouse basement courtroom (actual remodel may be in 2018); Building 1 breakroom upstairs; carpeting in Prosecutor's office and front door, review the additional square footage request; Juvenile Court remodel of existing dorm area; cover exposed drain pipes in District Court office area.
- The estimate for the Jail separate entrance for alternative sentencing is \$30K to \$40K.
- The Commissioners stressed the importance of these projects being well thought out, involve all the stakeholders and have the agreement in writing.
- Frank then talked about the Facilities Master Plan and there was a discussion of a Criminal Justice Center and a new jail facility. Frank presented a variety of funding options that include general obligation bonds, increase to property taxes and/or increase to sales tax.

Commissioner Discussion – there was no discussion.

Meeting adjourned at 5:05 p.m.

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Tuesday, March 14, 2017

10:30 A.M.

Support Services – Frank Pinter/Jenifer Sliva

Budget Status/Cash Flow/Revenue Options

Commissioners Shutty, Jeffreys and Neatherlin were in attendance.

- Frank Pinter presented options for increases to Current Expense: Property Tax Levy; Road Levy Shift (\$1,824,000 Levy Shift was enacted in 2016); One-Bump of Basic Lid Lift; Multi Bump Lid Lift; and Excess Levies for General Government Purposes a one-year levy. The percentage of property taxes paid to Current Expense has decreased; the Current Expense Fund collected 1% less than the Road Fund.
- Frank then reviewed other property tax levies and options to sales & use tax increases along with other options to increase revenues and various options to reduce costs.
- If an option is pursued that needs voter approval, the resolution must be adopted and to the Auditor's office no later than May 12 for the August ballot.
- Cash balance at EOM February was \$750,000 which is low but manageable however we need to address the \$850,000 2016 carry forward shortfall. The projection is there will be a cash shortfall next February. Options to consider: inter fund loan; hiring freeze, expense reductions, staff reductions. Also need to decide how to deal with Roads, Utilities and Public Health Department.
- In addition to the \$850,000 anticipated shortfall, there is a \$350,000 shortfall for new CBA increases that have been negotiated. Options to consider are using \$150,000 from REETS 1 and II for Current Expense expenditures and reduction to funding of IT Fund from Current Expense of \$200,000.
- Treasurer Lisa Frazier pointed out the legislature is considering drastic reductions to the state shared revenues in the next budget cycle. This includes .09 Fund, criminal justice funding and other state shared revenues.
- Most funding from WA State and Federal Agencies require capital projects be included on the Capital Facilities Plan. It was noted if the Comp Plan update is not completed; it could interfere with receiving funding.
- Cmmr. Jeffreys would like to reserve any criminal justice and sales tax for criminal justice for the building of a new facility and to supplant monies. Would like to visit the false alarm policy - not for raising revenues but to pay back for staff time and wants accurate numbers. Is in favor of nuisance regulations as long as it deals with solid waste and hulk vehicles – landlords need to be aware their tenants are causing issues in the community; look at health benefits for part time employees as a cost reduction; explore if there any near-by counties that need juvenile space; in the short term look at expense reductions. She is unclear how many of the expenditures in the past 5 years are in their control – she would like a pie chart of how much of the expenditures are in their control. It was noted that authorizing new employees would be under the Commissioners' control but benefits such as PERS are not. Cmmr. Jeffreys is not sure how successful the county would be to go out to voters but need to show the cost increase drivers.
- Cmmr. Shutty supports evaluating user fees and charges and looking at the false alarm policy. He cautioned to always error on side of cost reductions before raising taxes; staff reductions are a last resort category; he supports controlling costs first; he needs more information on what a hiring freeze would provide; he agrees they need to be very prudent on criminal justice taxing options and wants to have a thorough conversation on this issue.
- Lisa Frazier noted that inter fund loans are temporary in nature and can be structured as a revolving loan (draw on as needed and pay back as cash comes in).
- Cmmr. Neatherlin supports looking at savings for medical benefits, improving the L&I rating should be done; suggested looking at the Island County juvenile facility and consider a contract with our facility; a lid lift is shifting some of the Road Levy to Current Expense; he agrees that a criminal justice levy makes sense for capital costs, but also need to consider additional staffing costs and could we use the criminal justice sales & use tax for the additional operational costs; wants to look at fees and services;

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supports looking at a false alarm policy; supports looking at a nuisance program; agreed it is last resort for staff reduction but need to look at what isn't absolutely necessary.


- Frank summarized what the Commissioners want to see: 5 year look at expenditures; false alarm and nuisance policies; L&I and safety program as normal course of business; criminal justice – reserve the sales tax and property tax to work with capital improvements; review the options to rent out the juvenile facility.
- Frank then presented a spreadsheet for REET 2 because the Parks & Trails Comprehensive Plan (Comp Plan) doesn't balance with projected funding. Part of the problem is a \$7M trail project to Belfair. Frank reviewed the projects that are in the Comp Plan with projected costs and possible revenues. Frank asked the Commissioners to review the projects. Cmmr. Jeffreys stated the Board needs to determine how much REET 2 funding would be available and then could go to Parks Advisory Board for a realistic plan. Cmmr. Neatherlin stated another option is the Commissioners could determine the projects and the projects could be spread over the Commissioner districts; Cmmr. Jeffreys stated she wants the funding amount identified; there are potential expenses from REET 2 for Belfair Sewer;
Discussion of potential funding for the Skokomish Valley GI Study project.
Cmmr. Shutty supports the Commissioners prioritizing the projects and have staff provide an analysis of other liabilities from REET 2;
Frank noted that next week is a briefing on Belfair Sewer and that could identify what may be coming out of REET 2.
Cmmr. Jeffreys suggested the Parks & Trails Advisory Board consider allowing camping in county parks; could contract out to private party. The Commissioners agreed to consider this option – it would need to pay for itself and determine what parks it would work with. Cmmr. Jeffreys pointed out we would need a market research on how much need there is for camping facilities.
- Frank also distributed the .09 Fund budget for review.

The meeting adjourned at 12:32 p.m.


Respectfully submitted,

Diane Zoren, Administrative Services Manager

BOARD OF MASON COUNTY COMMISSIONERS


Kevin Shutty
Chair


Terri Jeffreys
Commissioner


Randy Neatherlin
Commissioner