

BOARD OF MASON COUNTY COMMISSIONERS' PROCEEDINGS

October 27, 2009

1. Call to Order – The Chairperson called the regular meeting to order at 6:01 p.m.
2. Pledge of Allegiance – Rick Brush led the flag salute.
3. Roll Call – Present: Commissioner District 1 - Lynda Ring Erickson; Commissioner District 3 – Ross Gallagher. Absent: Commissioner District 2 – Tim Sheldon
4. Correspondence and Organizational Business
 - 4.1 Correspondence
 - 4.1.1 The Port of Hoodspert submitted their 2010 levy certification.
 - 4.1.2 Gary & Barbara Christman, James and Wendy Rawley and Theresa Grendahl submitted a form letter concerning the funding of manadated County offices.
 - 4.1.3 Elizabeth Hill of CH2M Hill clarified several items brought up by a recent article in the *Shelton-Mason County Journal*.
 - 4.2 News Release - Mason County Parks & Trails Department Business Plan Development Task Force. Emmett Dobey read a news release announcing that the Parks and Trails department is currently recruiting individuals to serve on a Business Plan Development Task Force. Applications will be accepted until November 20, 2009.
5. Open Forum for Citizen Input –
 - 5.1 Louis Cofoni presented several pictures of a property on Snowcrest Lane. There are 30 vehicles on the property and the Mason County ordinance only allows 10 vehicles. The property owner applied for and received a storage permit from the State of Washington. The property is zoned rural residential and that goes against the zoning. He has presented the pictures to Christina Clark in Planning as well. He asked that Commissioner Ring Erickson look at the property and he encouraged her to work with the Planning Department on the issue.

Cmmr. Ring Erickson stated that she has been by the property twice and is aware of the issue. She has discussed the issue with the Planning Department because there have been other calls regarding the property.
 - 5.2 Andrea Malpice spoke regarding the WSU Extension program. She stated the WSU programs are essential for students' life skills. The programs focus the children and move them in a positive direction. She has heard that the Sheriff's office is seeking pay raises and retro pay on the backs of the WSU Extension program. She doesn't know if this is true, but in the future the County will need pay more deputies to deal with the children running amuck. As a public servant, she does not drive a company vehicle. It is possible that a pay raise or retro pay could be attained by expecting officers to drive their own vehicles to and from the jobsite. The children and the community need the positive support of the WSU programs. Alternatives should be carefully considered.
 - 5.3 Mary Jean Hrbacek wanted to dispel rumors going around the county. It is not true that she is no longer in favor of a levy shift. She sees it as the only reasonable course of action at this point. The citizens of the city and the county would benefit from this action. There are ways that the city residents could be compensated from a tax shift. She believes attention is being deflected from the real issues. When everyone is hurting they always want someone to blame. Everyone is in it together and it is incumbent upon the Commissioners to determine what services the citizens want.

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The Commissioners have asked nothing of the road department in terms of a levy shift. The road department hasn't been asked to provide a budget reflecting a levy shift. If the 2010 budget is accepted by the Commissioners as it is now there will be no levy shift. This cannot be deferred. Tomorrow she will submit some disclosure requests in regards to what kinds of projects could be deferred in a road levy shift.

The other thing she would like to discuss is the labor contracts. It is not just the Sheriff's office; none of the contracts have been settled. This will be in addition to the 1.3 million dollar cut that already needs to be made to the budget. The labor negotiations need to be considered before the 2010 budget is adopted.

Cmmr. Ring Erickson responded that the County is still looking into this. Attorneys in Spokane are looking at a levy shift and how it would be handled if Initiative 1033 passes. The additional revenue could possibly be extracted if the initiative passes. That is another issue the County will have to consider.

6. Adoption of Agenda - **Cmmr. Ring Erickson/Gallagher moved and seconded to adopt the agenda as published. Motion carried unanimously. RE-aye; G-aye; S-absent.**

7. Approval of Minutes – regular meeting minutes for October 13 and 20, 2009.

Cmmr. Ring Erickson/Gallagher moved and seconded to approve the regular meeting minutes for October 13 and 20, 2009. Motion carried unanimously. RE-aye; G-aye; S-absent.

8. Approval of Consent Agenda:

8.1 Approval of a \$20,000 contract to the Community Action Council to provide utility assistance for individuals who are in case-managed programs and are unable to pay current utility bills due to an unexpected emergency. This is funded with the Community Support Services Fund, #117.

8.2 Approval of a \$3,000 contract to the Mason County Children's Dental Coalition to provide dental services to low-income homeless and at-risk for homeless populations. This is funded with the Community Support Services Fund, #117.

8.3 Approval of the resolution establishing the County contribution toward employee medical insurance premiums for Elected Officials and eligible Non-Union Employees for 2010. The total 2010 contribution will remain the same as 2009 at \$825 per person, which is pooled and then reallocated to single and dependent enrollments. The allocation will be \$656 for single enrollments and \$977 for dependent enrollments. **Resolution 89-09 (Exhibit A)**

8.4 Approval of the Veterans Assistance Fund applications for: David R. Coles - Utilities \$93.72; Michael G. Cline - Food \$150.00; Greg VanSapp - Utilities \$169.72 ; Gena Kay - Housing \$600.00; Duane L Pewo - Utilities \$216.97 for a total of \$1,230.41 as recommended by the Veterans Assistance Fund Screening Committee.

8.5 Approval to schedule a public hearing on Tuesday, November 17, 2009 at 9:30 a.m. to consider adoption of revisions to Title 14, Section 14.46 addressing the establishment of the Storm and Surface Water Utility.

8.6 Approval of the resolution establishing a Mason County Stormwater Implementation Task Force. The mission of the task force will be to provide input and direction on stormwater management. **Resolution 90-09 (Exhibit B)**

8.7 Approval of the resolution establishing a Public Works Bond Reserve Fund for the Public Works Facility Bond '07 to accrue interest for prepayment of the bond principal in December 2017. **Resolution 91-09 (Exhibit C)**

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- 8.8 Approval of the resolution setting a public hearing on November 17, 2009 at 9:30 a.m. to consider public comment on the declaration of three parcels of real property to be surplus to the needs of Mason County and the sale of the parcels to Habitat for Humanity of Mason County. The parcels are located at 1515 Franklin Street, Shelton; 101 East Parkway North, Shorecrest Terrace; and 90 East Panorama Drive, Shorecrest Terrace. **Resolution 92-09 (Exhibit D)**
- 8.9 Approval to set a public hearing on November 17, 2009 at 9:30 a.m. to review the request by Sharon Morris and John Robinson Estate to rezone one parcel (11.38 ac.) at the end of Robinson Road, west of the Lilliwaup Hamlet. The request involves a Comprehensive Plan map change from Long Term Commercial Forest designation to Rural Lands, and then zone the parcel to Rural Residential 5.
- 8.10 Approval of Warrants
- | | | |
|----------------------|--------------------------|----------------|
| Claims Clearing Fund | Warrant #s 163854-164686 | \$2,752,507.93 |
| Salary Clearing Fund | Warrant #s 2961-3017 | \$ 269,841.32 |
| Direct Deposit Fund | Deposit #s 16195-16578 | \$ 551,980.03 |
- 8.11 Approval to amend the existing contract with CH2M Hill to provide addition engineering and other services to the County related to the Belfair Water Reclamation Project by the CH2M Hill and authorize the Chair to sign all documents associated with executing the amendment. The cost is \$569,312.
- 8.12 Approval to award the third party construction observation and special inspections to Materials Testing and Consulting Inc. of Burlington WA and authorize the Director of Utilities to enter into an agreement for the specified on-call services during construction of the Belfair Water Reclamation Facility and Conveyance System based on the pricing listed in the Statement of Qualifications.

Louis Cofoni had questions regarding item 8.11.

Cmmr. Ring Erickson asked that item 8.3 be amended to say \$825 per person, per month. That would clarify what is being done.

Sandy Tarzwell had questions regarding items 8.1 and 8.2.

Brenda Hirschi had questions regarding item 8.8.

Item 8.11

Emmett Dobey explained that this is a request for money to go to CH2M Hill for work on the Belfair Reclamation project. Last week there was a briefing with CH2M Hill to discuss the construction phase of the project. At that time the County indicated there would be no additional funds available for CH2M Hill. The project has been divided into two parts, construction and pre-construction. The discussion last week was regarding the construction part. The pre-construction has been divided into 4 phases. So far there is the initial contract and three amendments. The fourth and final amendment, which is being discussed today, will bring the total engineering service charges for this project to about 6.8 million dollars. This phase will bring the project to the point where the contractors can be given notices to proceed. This is the work that is necessary to be able to do that.

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Not all of the money goes to CH2M Hill. A lion's share of the money is for non-engineering costs. An example is \$36,000 in legal fees for acquiring property, which brings the total for legal fees to approximately \$90,000. There is also cost included in this request for about \$36,000 for financial consultants, which will establish the rates for ongoing operation and maintenance at the end of the project. This is not additional money. It is money that is part of pre-construction and it is in the budget. It will subtract from the money that is available to do the construction. There is still enough money to do the construction, but they will have to be more careful during the construction phase of the project. To meet those requirements they have lowered the contingency fee, which is the fee that would be paid if there were overruns. They have looked at having someone other than CH2M Hill to do the construction management. They are looking at ways to keep the project on budget and this is not increasing CH2M Hill's overall contract.

Mr. Cofoni stated he read an article in the *Shelton-Mason County Journal* and it stated there was a 2 million dollar figure that wasn't part of the original estimate. He would like to know why there needs to be an amendment to the existing contract for this \$569,312 amount if it is already part of the budget. Is the 2 million dollars being asked for in the construction or pre-construction phase?

Mr. Dobey responded that the project has been divided into 4 phases. There is a contract and this will be the fourth amendment to that contract. Now the treatment plant needs to be built. There is 38 million dollars available. With this contract about 7 million dollars has been spent, so there is about 31 million dollars left. The price of the construction is about 24 million dollars. That leaves about 12 million dollars for other services. A part of that is contingency, which started at about 4 million and is now reduced to 2.5 million. There is money for construction, but the things that came before the construction need to be paid for. This is extra work that came out of pre-construction. It is extra money, but it subtracts from what is already there. They don't have to go out and find more money. In the article in the newspaper CH2M Hill requested an additional 2 million dollars for the construction side.

Mr. Cofoni asked if the consultant would be making any more requests.

Mr. Dobey stated he couldn't guarantee anything, but he is looking at ways to provide services as construction proceeds. He added that he did discuss this with Commissioner Sheldon and he is aware of the item on the agenda.

Ms. Hirschi asked if either Mr. Dobey or CH2M Hill has done any research regarding possible cost overruns. How much risk is the public taking on with a 2.5 million dollar contingency?

Mr. Dobey answered that they have accepted firm bids so they know what the cost of construction is. There shouldn't be any great changes unless something is discovered that they didn't understand. They were able to reduce the contingency because they went through a very selective process for an engineering company. There were 7 different nationally recognized companies that bid on the project and they interviewed 4. CH2M Hill was very clearly the number one candidate during the selection process. He believes they have a very good design and the treatment plant is especially assured. They know what the likely problems are to be. What's less assured is the conveyance system because it is on State Route 3. He believes the contingency will cover any unanticipated costs associated with that.

Greg Skinner asked if he understands correctly that this \$569,000 is more money for Ch2M Hill, but it is not costing the County more.

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Mr. Dobey explained that the County has a big pot with 38 million dollars in it. 7 million dollars has been spent and more money isn't being added to the pot. It is just switching part of the money that was for construction to the pre-construction. There is still enough money left in the construction side to build the project.

An audience member asked if this money is cost overrun for what has happened so far.

Mr. Dobey stated that he would not call it cost overrun. There was additional work that had to be done that the engineering firm found as the project moved ahead. An example is the legal fees needed to secure the property. It was much more complicated than what was anticipated. At the end of the project they know they will have to do a study to establish what the monthly rate will be. That was taken care of now so they won't have to worry about it not being completed in the end. They are still committed to having the project done on time and committed to a rate of \$86-\$100 per month. He believes that can be done with the 38 million dollars they already have. With the extra money that has been paid for pre-construction, they will just have to be very careful with the construction costs.

Ms. Tarzwell asked if there would be any additional fees associated with property acquisition.

Mr. Dobey responded that the church property where the dedication was has been acquired and they have acquired the location for the treatment plant. There are two other sites for the pump stations that they are in the process of acquiring and they know the costs associated with acquiring those properties.

Item 8.1 and Item 8.2

Vicki Kirkpatrick stated this is all related to the Homelessness Grant and the money that is dedicated for that purpose. That program isn't under the Health Department so she isn't that familiar with it.

Ms. Tarzwell asked where the money is coming from.

Ms Kirkpatrick stated there is dedicated funding from the State as a result of legislation a few years ago. The funding comes into communities to address homelessness with the ultimate goal of reducing or eliminating homelessness.

Cmmr. Ring Erickson clarified that some money comes from filing fees and recording fees and some comes from the State, but she's not sure of the origin.

Ms. Kirkpatrick noted that this is the first year that the Health Department has done the budget for these programs. The former Budget and Finance Director did the budget previously. There is a Housing Coalition that makes the decisions on where the money is suppose to go and they make sure requirements are met. That group then makes a request to the County for funding.

Cmmr. Ring Erickson stated that several years ago the County was required to create a plan to reduce homelessness. The advisory group was a result of that planning process.

Ms. Tarzwell asked if Ms. Kirkpatrick knew how long the amounts being requested would last and if it is a one time infusion of money.

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Ms. Kirkpatrick responded that she didn't know. She believes it is based on information gathered based on the needs of the community. She doesn't know if it is an annual amount or quarterly amount. The homelessness plan identified the various needs of the community. She has only been involved in the health needs of the homeless. Kim Klint is the person who prepared the item for the Commissioners' consideration

Cmmr. Ring Erickson noted that the performance dates are listed in the contracts.

Emmett Dobey commented that when this first came up the utility department created a special fund with a one time infusion of \$5,000 that went to the Community Action Council for County utility customers that were having difficulty paying their utility bills. There haven't been a lot of people who have used the service and this expands it to a larger audience.

Annetee McGee stated this has brought up a couple of questions. She sees that this is funded with the Community Support Service Fund, number 117. She believes that the legislature has passed money along to do this. She would like to know much money is in fund 117 and how much has been spent.

Ms. Kirkpatrick responded that she doesn't know the 2009 amounts because the Health Department didn't put that budget together and she doesn't have the background information on the program. The person who is most familiar with all of this isn't here tonight to respond to questions.

Ms. McGee stated it bothers her that no one knows how much money is in the fund.

Ms. Kirkpatrick noted that she has spoken with Kim Klint, who is directly involved in this and she has stated the funds are quite healthy. It has been difficult to spend the money that has been collected.

Ms. McGee commented that if someone is asking for money they should at least know what is in the budget.

Cmmr. Ring Erickson stated that actual fund balances were discussed in briefing but she doesn't recall the exact amounts.

Mr. Cofoni asked if the dental care program has guidelines on what can and cannot be done.

Ms. Kirkpatrick explained that each person is assessed based on their needs. There are volunteer dentists that support the clinic so the costs are lower to begin with. The primary focus is on correction and acute dental needs. It is not an ongoing relationship with a dentist.

Item 8.8

Ms. Hirschi stated that when Commissioner Gallagher read item 8.8 it seemed that it was different from what was published on the agenda.

Cmmr. Gallagher stated he might have made a mistake. The consent agenda has not changed.

Mr. Skinner asked what occurred to pull this item out into the public. There were plenty of emails going around the County that discussed doing this land sale to Habitat for Humanity without public input. Why is it now having a hearing?

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Rick Brush explained that there would always be a public hearing before declaring property surplus and approving a sale. This sale would never be processed without a public hearing. There was some discussion with the Prosecuting Attorney's office regarding directly negotiating with Habitat for Humanity without offering the property for sale to the general public. There was a question raised by one of the Commissioners in that regards. The input from the County's attorney was that it is possible under the code, so they are proceeding with the proposed sale, subject to public comment and a decision from the Commissioners.

Item 8.3

Brenda Hirschi commented that this item says the County will not increase its contribution for non-union employees. She would like to know if the County would be responsible for the costs associated with union employees?

TJ Martin explained that the issue in item 8.3 is the allocation for elected officials, non-union employees and the Prosecutor's office because they have pooled medical coverage. The issue of the County's contribution is not being addressed, just the reallocation of the number of people pooled for single or dependant coverage. The amount of contribution is staying at \$825 unless a resolution is brought forward by the Commissioners to change that for 2010. This just reallocates the single and dependent coverage in the pool. It is not increasing or decreasing the level of contribution.

Brenda Hirschi asked if this covers all non-union employees.

Mr. Martin stated that is correct. It covers approximately 80 employees. This is just changing the allocation of single or dependant coverage in the pool so that later on the Commissioners can decide what the level of contribution will be. It will be the same with the unions and that will be addressed in labor negotiations.

Mr. Cofoni asked if a two tiered system is set up for medical costs when the County negotiates for a labor contract

Mr. Martin stated the amount of contribution for union and non-union employees is \$825 at this time. That could be subject to change depending on labor negotiations and what the Commissioners ultimately decide with the non-union employees.

Mr. Cofoni stated that union people pay to be in a union. They are paying for an advantage. When the union contracts are finalized could the Commissioners match the union amounts to non-union people?

Mr. Martin stated the Commissioners could do that if they chose with a separate resolution.

Cmmr. Ring Erickson/Gallagher moved and seconded to approve Consent items 8.1 through 8.12. Motion carried unanimously. RE-aye; G-aye; S-absent.

9. 6:30 p.m. Public Hearings and Items Set for a Certain Time. – There were no public hearings scheduled.

10. Other Business (Department Heads and Elected Officials) –

10.1 Vicki Kirkpatrick stated she was able to obtain the 2009 budget for the 117 fund. The unexpended balance is \$492,351.

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- 10.2 Emmett Dobeay clarified that there is a construction side and pre-construction side to the Belfair Wastewater Reclamation Facility project. In the future there may be additional amendments to the existing contract with CH2M Hill in the construction phase.
11. Board's Reports and Calendar - The Commissioners reported on meetings attended the past week and announced their upcoming weekly meetings.
12. Adjournment – The meeting adjourned at 7:12 p.m.

BOARD OF COUNTY COMMISSIONERS
MASON COUNTY, WASHINGTON

Absent 10/27/09
Tim Sheldon, Chair

ATTEST:

Lynda Ring Erickson, Commissioner

Shannon Goudy, Clerk of the Board

Ross Gallagher, Commissioner