

MINUTES

BOARD OF COMMISSIONERS – GRAYS HARBOR COUNTY REGULAR MEETING

December 6, 2010

The Commissioners met in regular session in the Commissioners' Meeting Room, Administration Building, Montesano, Washington, on Monday, December 6, 2010, at 2:00 p.m. Commissioners Al Carter, Mike Wilson and Terry Willis were present. Donna McCallum, Clerk of the Board, and Jim Baker, Senior Deputy Prosecuting Attorney, were also present.

CALL TO ORDER AND FLAG SALUTE

Chairman Carter called the meeting to order with the pledge of allegiance.

BIDS:

None

HEARINGS:

1. 2011 Budget and Resolutions authorizing increases in the General Expense Fund, Miscellaneous Funds, and Road Limit Factors: There was a public hearing on December 6, 2010 to consider the 2011 Budget and Resolutions authorizing increases in the General Expense Fund, Miscellaneous Funds, and Road Limit Factors. Notice of this hearing was published in *The Montesano Vidette* November 18 and 25, 2010. Chairman Carter asked for a staff report. Rose Elway, Budget Director, read the 2011 budget message.

In order to maintain vital services to citizens, property taxes were levied at the minimum one percent increase for the General Fund, Veterans and Road Fund. The 2011 budget was balanced using reserves gained in 2010 with forest harvest taxes and the sale of County assets. This \$1.5 million unanticipated 2010 revenue allowed the County to repay the cash operations \$2 million loan but anticipates renewing a \$1 million cash loan in 2011.

County employees are funded at full staffing levels without furloughs. The 2011 budget funds current level salaries and a 10percent increase in benefits. County staff levels have been reduced by 47 positions since 2008 with a necessary increase of 2 FTE in the 2011 budget. While adopting an optimistic budget, Commissioners will maintain the County hiring freeze by reviewing all vacancies and will hire only for necessary services.

The 2011 budget funds operations of the County at the existing level of services. When adopted, the 2011 budget continues the commitment to economic development projects so quality jobs are available for present and future generations. Services were maintained in planning, building, utility development, and economic growth areas to assist positive future project development in the community. Emphasis in this budget was to retain necessary countywide services to citizens while prioritizing public safety and health. The Commissioners will continue to prioritize, review and limit spending levels to regain operational reserves as the 2011 economy progresses.

County finances are divided into two groups: the county **General Fund** operations and the **Miscellaneous Funds** groups.

The **General Fund** 2011 budget totals \$27,069,647 which is 2percent higher than the 2010 budget. The General Fund is comprised of all departments providing general County services. The Law & Justice Program consumes 78 cents of each General Fund non-dedicated dollar. Unfunded state mandates increase criminal justice program costs with indigent defense, indigent burial, and court assigned interpreter fees comprising over 4percent of General Fund budgets. The County contributes 13percent match to Public Health requirements in addition to providing health care to incarcerated juveniles and adults, as well as countywide monitoring and treatment of infectious disease.

Of the General Fund 2011 budget, salary and benefit costs are 73percent (\$17,752,934), Goods and Services are 27percent (\$6,500,233), Capital Outlay of \$2,000 resulting in **\$2,816,480** in ending cash. Penalties, interest and taxes on assessed property represent 44percent of the General Fund revenue base at \$10,295,000.

The second largest revenue is court fines, fees, and criminal justice tax at 19percent (\$4,571,982). The third largest revenue source is generated from licenses, permits and fees for services at 12percent (\$2,856,370). Sales tax is the fourth largest revenue at 10percent (\$2,450,000). Federal, state and local grants are fifth at 7percent (\$1,555,144). Forest harvest and yield taxes are sixth at 5percent (\$1,160,064). Finally, investment earnings are seventh at 1percent (\$204,500). General Fund revenue is \$50,747 over the 2010 projections with the largest decline in federal, state and local grants (\$540,513) and the largest increase in forest harvest for \$666,064.

Miscellaneous Funds groups total \$75,055,294 in budgeted funds, which is a 7percent increase of \$4,999,844. The Road Fund has the largest operating budget at 23percent of the total for a \$17,361,380 annual road program. The road property tax levy of \$1.89 per \$1000.00 of assessed property value generates 30percent of available road revenue at \$5,160,000. The road program includes \$6,717,000 in road construction projects and \$8,250,000 in road maintenance and operations countywide. 42percent of Road Fund revenue \$6,460,000 is federal, state and local grants which pay for 80percent of the road construction program.

Social Services, Mental Health, Developmental Disabilities, and Substance Abuse pass through grant programs deliver services totaling \$13,465,611 with 2.5 cents of the General Fund levy, \$162,471 dedicated as developmental disabilities and mental health matching. Grants and fees fund 87percent of the Public Health and Social Service programs funds, totaling \$3,928,786 with General Fund match at 13percent. The new 1/10 of 1percent chemical dependency program is budgeted at \$1,460,000 with cash built up over 2 years.

The Aberdeen Landfill Post Closure fund budget totals \$2,811,574 and the commitment to implement the Solid Waste Plan is funded at \$4,718,000, continuing the current program without raising garbage tipping fees for Grays Harbor citizens. Regrettably the countywide spring

cleanup program had to be eliminated. The Commissioners have earmarked \$100,000 for abatement procedures and \$175,000 for the Household Hazardous Waste program for 2011.

Grays Harbor County provides forest harvest revenues to county funds, schools, and junior taxing districts with its active Forestry Department budgeted at \$3,524,050, which is up 23percent (\$784,430) over the 2010 program.

The County continues to solicit grants for countywide infrastructure, utilities development with Special Projects funds totaling \$1,843,743. Projects include \$320,000 for Recreation Conservation Office (RCO) Salmon Recovery project, Washington State Department of Ecology multi-purpose storage and Watershed Council of \$320,000 and the RCO Lead Entity grant for \$70,000. The largest project is the Hogan's Corner Regional Water System project of \$412,500, Hogan's Corner Sewer planning of \$75,000 and \$125,000 for the Pacific Beach Moclips utility projects.

Various community projects are grant-funded, including E-911 grants of \$160,000 through the Washington State Military Department to enhance wireless and wireline operations and low to moderate income program funded through the public services community block grant of \$165,743 for the Coastal Community Action Program.

Highlights in the 2010 Capital Construction Programs include a Facilities Capital budget of \$23,447. The Pavilion roof and various projects at the fairgrounds are budgeted at \$1,272,741 with a federal Rural Development loan.

The County is supporting efforts to maximize economic development with the Distressed Capital Fund budget of \$1,619,700 for infrastructure improvement needs as prioritized in the Overall Economic Development Plan (OEDP) countywide ranking list. Projects funded in 2011 include the Public Development Authority Warehouse Project, Westport Marina, matching funds for the Cosmopolis TIB project and funds for the Hogan's Corner Regional Water System.

She stated the 2011 budget represents Grays Harbor County's policy statement stressing the commitment to the citizen's welfare and efficient and accessible government services. It provides a balanced response to citizen needs for delivery of quality public services. Impact to citizens was the first priority in balancing the budget, which keeps fee and tax increases to a minimum while continuing necessary services to this economically distressed rural county. She thanked the County Elected Officials, Department Directors and Administrative Staff Members who cooperated and assisted in creating the best possible responsible budget.

Commissioner Carter called for public comment, hearing none he closed the hearing.

ACTION: A motion was made, seconded and passed to approve Resolution No. 2010-103, adopting the budget for Grays Harbor County for 2011.

ACTION: A motion was made, seconded and passed to approve Resolution No. 2010-104, adopting the Grays Harbor County annual road construction program for 2011.

2. Road Variance – Private Roadway Section C – Applicant First Savings Bank

Northwest: There was a public hearing on December 6, 2010 to consider a Road Variance for Private Roadway Section C for applicant First Savings Bank Northwest. Notice of this hearing was published in *The Montesano Vidette* November 18, 2010. The variance request is as follows: First Savings Bank Northwest has requested a variance for a reduction in the required minimum private road standards, which is a requirement prior to final recording of a long plat subdivision at Roosevelt Beach known as the Plat of Roosevelt Beach Estates, Case 2006-2430. The request is for the following:

1. **Private Roadway Section C.** The applicant is requesting a reduction in the minimum width of the built road, for that portion of the road located at the entrance pillars (gate), for a private road serving ten or more lots, from a 22-foot driving surface with 2-3 foot shoulders, to a 23-foot driving surface with no shoulders (at the gate).

Chairman Carter asked if the applicant would like to make any comments. Mike Daniels, Olympia, spoke on behalf of the applicant. He explained the project meets Department of Transportation standards and the driving standards can be achieved at the gates. The gate posts are substantial and the bank is asking for a variance so as to not have to move the posts.

Commissioner Willis asked if the curvature off Highway 109 is adequate for safety standards. Mr. Daniels replied there is a deceleration lane that is paved and approved. He added that the gate is a double gate.

Commissioner Carter called for public comment, hearing none he closed the hearing.

ACTION: A motion was made, seconded and passed to approve the road variance request for First Savings Bank Northwest for Private Roadway Section C, case number 2010-1382.

3. Emergency Budget – Planning and Building Department - \$93,000: There was a public hearing on December 6, 2010 to consider an Emergency Budget in the Planning and Building Department in the amount of \$93,000. Notice of this hearing was published in *The Montesano Vidette* November 25, 2010. Chairman Carter asked for a staff report. Rose Elway, Budget Director, reported the department requested \$93,000 to cover the payout of the Planning and Building Director, professional services for the Critical Areas Ordinance, interfund payment for the Interim Planning Director and interfund usage of ER&R vehicles.

Commissioner Carter called for public comment, hearing none he closed the hearing.

ACTION: A motion was made, seconded and passed to approve Resolution No. 2010-105, authorizing an emergency appropriation in the budget of the Grays Harbor County General Fund Planning and Building Department in the amount of \$93,000.

4. Supplemental Budget – Public Health and Social Services - \$46,137: There was a public hearing on December 6, 2010 to consider a Supplemental Budget appropriation in Public Health and Social Services in the amount of \$46,137. Notice of this hearing was published in *The Montesano Vidette* November 25, 2010 and December 2, 2010. Chairman Carter asked for a staff report. Rose Elway, Budget Director, reported the department received federal funding through the Women, Infant, Children programs and Alcohol Administration. The funding will be used for professional services, supplies and communication to enhance these programs.

Commissioner Carter called for public comment, hearing none he closed the hearing.

ACTION: A motion was made, seconded and passed to approve Resolution No. 2010-106, authorizing a supplemental extension in the budget of the Grays Harbor County Miscellaneous Funds Public Health and Social Services in the amount of \$46,137.

PUBLIC COMMENT

Commissioner Carter called for public comment. He announced that comments and statements would be accepted and limited to three minutes. Questions should be submitted in writing.

Stan Trohimovich, Aberdeen, made comments regarding county contracts, enforcement of laws, and accounting related to his property.

Herb Welch, Wishkah, made comments regarding the Commissioners' board representations, asking Commissioners to postpone assignments for 2011.

CONSENT AGENDA: Approval was requested for the following items:

Minutes:

Morning Meeting and Regular Meeting – November 22, 2010
Special Meeting – November 19, 2010 and November 30, 2010

Auditor:

Month-End Expenditures Audit Report – November 2010 – Claims: \$3,327,378.63
Salaries: \$2,288,363.27

Commissioners:

Set Bid Opening for Indigent Defense Contracts – *December 13, 2010*
Reappointments to the Pacific Mountain Workforce Development Council - LeRoy Tipton and Ed Brewster
Reappointment to the Civil Service Commission – Ole Mackey
Reappointment to Board of Equalization – Caroline Perry
Reappointment to Veteran's Advisory Board – Bill Wickwire
Appointment to Veteran's Advisory Board effective January 1, 2011 – Steve Markham

Management Services:

- Set Hearing Date – *December 20, 2010* – Emergency Budget, Civil Service Commission, \$700
- Set Hearing Date – *December 20, 2010* – Supplemental Budget, Mental Health/ Developmental Disability Levy Tax, \$617,477
- Set Hearing Date – *December 20, 2010* – Supplemental Budget, Trial Court Improvement, \$22,540
- Set Hearing Date – *December 20, 2010* – Supplemental Budget, Homeless Housing Fund, \$178,000
- Set Hearing Date – *December 20, 2010* – Supplemental Budget, Tax Title Management, \$320,000
- Set Hearing Date – *December 20, 2010* – Supplemental Budget, Sheriff's Department, \$239,392
- Set Hearing Date – *December 20, 2010* – Supplemental Budget, PB/Moclips Water System M&O, \$47,000
- Set Hearing Date – *December 20, 2010* – Supplemental Budget, Pacific Beach Sewer M&O, \$32,000
- Set Hearing Date – *December 20, 2010* – Supplemental Budget, North Beach Water System, \$5,000
- Set Hearing Date – *December 20, 2010* – Supplemental Budget, Environmental Health, \$22,862
- Set Hearing Date – *December 20, 2010* – Supplemental Budget, Stadium Fund, \$51,527
- Set Hearing Date – *December 20, 2010* – Supplemental Budget, Tourism Fund, \$43,976

Public Health and Social Services:

- Event Agreement with South Shore Mall – Walking Program, January 8, 2011

Correspondence:

- Claim, C- 620-10, Paula Jones

ACTION: A motion was made, seconded and passed to approve the Consent Agenda as listed above.

COMMISSIONERS

1. **Office of Public Defense Funding Agreement:** A motion was made, seconded and passed to approve the funding agreement with the Office of Public Defense. The grant funding is for indigent defense contracts in the amount of \$72,839.
2. **Resolution – Junior Taxing District Levy for 2011, Fire Protection District No. 17:** A motion was made, seconded and passed to approve **Resolution No. 2010-107, certifying to the County Assessor junior taxing district 2010 tax levy collection for year 2011 collections for Fire Protection District 17.**

CONVENE AS DRAINAGE DISTRICT 2

The Board of County Commissioners convened as Commissioners for Drainage District No. 2 to consider the following:

1. Public Hearing – 2011 Budget: A public hearing was held on December 6, 2010 to consider the 2011 budget for Drainage District 2. Notice of this hearing was published in the *Montesano Vidette* November 18 and 25, 2010. Clerk of the Board McCallum provided an overview of the budget, including revenue from assessments and the beginning and ending fund balances.

Commissioner Willis disclosed that she owns property in Drainage District 2.

ACTION: A motion was made, seconded and passed to approve Drainage District 2 Resolution No. 2010-01, adopting the 2011 budget for the Grays Harbor County Drainage District 2.

The Commissioners adjourned the meeting of Grays Harbor County Drainage District No. 2 and reconvened as Board of County Commissioners.

DEPARTMENTS

FAIR, EVENTS AND TOURISM

1. Request Approval, 2011 Grays Harbor County Fairground and Event Center Fee and Rental Schedule: A motion was made, seconded and passed to approve the 2011 Grays Harbor County Fairground and Event Center Fee and Rental Schedule. The rate changes are as follows:

- \$25 per day increase in the “full day” rental for the Pavilion Arena and Exhibit Hall
- The “extra workings” fee was eliminated for events that require only three workings or less
- The short term hourly rental fees for most buildings were lowered slightly
- The hourly and daily rental fees for the new covered Livestock Arena are now included
- Rental fees and deposits for cash registers and the portable P.A. system are now included

FORESTRY

1. Request Approval, East Fork Hoquiam River #2 Timber Sale – Contract Completion, Wisteria Corporation: A motion was made, seconded and passed to accept the contract as complete and release the performance bond to the Wisteria Corporation for the East Fork Hoquiam River #2 timber sale.

MANAGEMENT SERVICES

- 1. Request Approval, Resolution Establishing a New Fund – Mental Health/ Developmental Disability Levy Tax:** A motion was made, seconded and passed to approve **Resolution No. 2010-108, establishing Grays Harbor County Mental Health/ Developmental Disability Levy Tax Fund, #140-000-400.** Public Health and Social Services is requesting a new fund be set up for the mental health levy tax in order to track expenditures for each program area separately. State law requires that the Mental Health/ Developmental Disability Levy Tax be dedicated to the named programs.

- 2. Request Approval, Resolution – Budget Transfer – Facility Services:** A motion was made, seconded and passed to approve **Resolution No. 2010-109, transferring items in the Grays Harbor County General Fund Facility Services in the amount of \$42,000.** The transfer is being made from the utilities category to various budget categories to cover shortfalls and additional costs for the remainder of the year.

- 3. Request Approval, Resolution – Budget Transfer – Mental Health:** A motion was made, seconded and passed to approve **Resolution No. 2010-110, transferring items in the Grays Harbor County Miscellaneous Funds Mental Health Fund in the amount of \$617,477.** The transfer is being made from ending cash to transfer out for the new Mental Health/ Developmental Disability Levy Tax fund.

PUBLIC HEALTH AND SOCIAL SERVICES

- 1. Request Approval, Amendment 3 to the Prepaid Inpatient Health Plan Agreement between Grays Harbor RSN and DSHS:** A motion was made, seconded and passed to approve Amendment 3 to the Prepaid Inpatient Health Plan Agreement between DSHS and the Grays Harbor Regional Services Network. This amendment clarifies the definition and terms regarding delegation plan and incident reporting. There is no change in the contract rate allocation.

- 2. Request Approval, Amendment 4 to an Agreement between Grays Harbor RSN and the State Health and Recovery Services Administration:** A motion was made, seconded and passed to approve Amendment 4 to an agreement between the State's Health and Recovery Services Administration and the Grays Harbor RSN. The contract amendment reduces state funding for mental health, jail, PALS and outpatient services for a total reduction of \$195,000. The new contract allocation is \$2,289,314.

- 3. Request Approval, Mental Health Block Grant Agreement:** A motion was made, seconded and passed to approve the Mental Health Block Grant. The grant provides funding for the following block grant activities: Catholic Community Services Wraparound, \$30,000; Recovery Conference, \$5,000; NAMI, \$10,748; Crisis Intervention Training for law enforcement, \$25,000. The grant provides a total of \$70,748 for these services.

4. Request Approval, Amendment 3 – Interlocal Agreement – DSHS and Grays Harbor RSN, Children’s Mental Health Wraparound Pilot Program: A motion was made, seconded and passed to approve Amendment 3 to an interlocal agreement between the State of Washington Department of Social and Health Services (DSHS) and Grays Harbor RSN for a Children’s Mental Health Wraparound Pilot. The agreement reduces state funding by \$10,000 for a wraparound model of integrated children’s mental health services delivery. It targets children, youth and their families that receive publicly-funded mental health services and are uninsured or underinsured but need wraparound services to achieve mental health and behavioral stability for achieving desired individual and family outcomes. The revised total amount of this amendment is \$143,400 and most of the funds will be passed through to Catholic Community Services.

5. Request Approval, Grant Application to Receive Free Vaccines to Administer to Primarily Homeless Adults: A motion was made, seconded and passed to approve the grant application to receive free vaccines to administer to homeless adults. The vaccines are for tetanus, pertussis and diphtheria.

PUBLIC SERVICES

1. Request Approval, 2011 Radio Maintenance Agreement with Grays Harbor County E-911: A motion was made, seconded and passed to approve the radio maintenance agreement with Grays Harbor E911. This agreement is for providing maintenance on the Grays Harbor E911 Radio Equipment and the list of deliverables for 2011.

2. Request Approval, 2011 Radio Maintenance Agreement with Grays Harbor County Transit Authority: A motion was made, seconded and passed to approve the 2011 Agreement with Grays Harbor Transit Authority and the ER&R Division for radio equipment maintenance. A fee of \$500 per month will be paid by Grays Harbor Transit Authority for ER&R to service all two-way radio systems and associated electronics gear.

3. Request Approval, Letter of Agreement with Coastal Community Action Program (CCAP) – Project Homeless Connect: A motion was made, seconded and passed to approve the letter of agreement with Coastal Community Action Program (CCAP) for financial assistance from the County to cover a portion of the costs associated with the 2011 Project Homeless Connect program. The Project Homeless Connect reaches out to individuals who might need resources and referrals. This outreach effort will run concurrently with the annual Point in Time Count, an activity designed to measure the number of homeless individuals in Grays Harbor County and throughout Washington State. CCAP requests \$7,500 from the County. This money will be matched by other revenue or donations generated by CCAP.

4. Request Approval, Professional Services Contract to Hire Appraiser for Ocean Beach Road Curve Revision: A motion was made, seconded and passed to approve the professional services contract to hire Christina A. Fagernes of Appraisal Solutions Northwest.

Ms. Fagernes will provide administrative offer summary reports on three parcels on Ocean Beach Road. The county's right-of-way agent will proceed with the administration of the contract.

ANNOUNCEMENTS

None

STAFF MEETINGS

The Board held a regular morning meeting on Monday, December 6, 2010, beginning at 9:00 a.m. These meetings are advertised public meetings held in the Commissioners' Conference Room. Commissioners Carter, Wilson and Willis and the Clerk of the Board, Donna McCallum reviewed calendars and pending daily office issues. The Board met with the following individuals regarding agenda items and department updates: Rose Elway, Budget Director; Joan Brewster, Public Health and Social Services; Kevin Varness, Public Services; Russ Esses, Engineering and Roads; Jeff Nelson, Environmental Health; Lee Napier, Public Service. Notes of these meetings are available upon request.

The Board approved the following:

RESOLUTIONS

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|---------------------|--|
| No. 2010-103 | Adopting the budget for Grays Harbor County for 2011 |
| No. 2010-104 | Adopting the Grays Harbor County annual road construction program for 2011 |
| No. 2010-105 | Authorizing an emergency appropriation in the budget of the Grays Harbor County General Fund Planning and Building Department in the amount of \$93,000 |
| No. 2010-106 | Authorizing a supplemental extension in the budget of the Grays Harbor County Miscellaneous Funds Public Health and Social Services in the amount of \$46,137 |
| No. 2010-107 | Certifying to the County Assessor junior taxing district 2010 tax levy collection for year 2011 collections for Fire Protection District 17 |

