

BOARD OF MASON COUNTY COMMISSIONERS' BRIEFING MINUTES
Mason County Commission Chambers, 411 North 5th Street, Shelton, WA
Week of May 23, 2016

Monday, May 23, 2016

- 8:30 A.M. Executive Session – RCW 42.30.110 (1)(i) Litigation
Commissioners Jeffreys and Sheldon met in Executive Session with Tim Whitehead and Dawn Twiddy from 8:35 a.m. to 9:00 a.m. for a litigation matter. Commissioner Neatherlin joined the session at 8:50 am.
- 9:00 A.M. Executive Session – RCW 42.30.110 (1)(i) Potential Litigation
Commissioners Jeffreys, Sheldon and Neatherlin met in Executive Session from 9:00 a.m. to 9:40 a.m. with Tim Whitehead and Jerry Hauth for potential litigation matter.
- ~~9:30 A.M.~~ 9:40 A.M. Public Works – Jerry Hauth/Melissa McFadden
Utilities & Waste Management
Commissioners Jeffreys, Sheldon and Neatherlin were in attendance.
- The award will be placed on the agenda for snow retention guards to Jon Lupo Construction.
 - Discussion of the proposed Tahuya River Estuary, bridge replacement project. The estimated project cost is \$28.9 million and a grant will be submitted. The Commissioners expressed concern with the cost and impact to the community.
 - Skokomish River Ecosystem Restoration. A new Cost Share Agreement is now being developed to complete the next phase of work, final design and preparation of bid documents. Final design and bid document preparation are projected to be \$2,500,000, with the Government's share of such costs projected to be \$1,625,000 (65%) and the Non-Federal Sponsor's share of such costs projected to be \$875,000 (35%).
 - Petition received for Hanks Lake Road to be adopted into the county road system. Staff has been talking to the citizens about a road improvement district process and they will draft a letter from the Commissioners to the petitioners.
 - Request for no passing zone on Highway 101 near the Public Works property.
- ~~10:00 A.M.~~ 10:15 A.M. Finance Committee
Lisa Frazier, Treasurer; Karen Herr, Auditor and Commissioner Jeffreys were in attendance. Also in attendance: Randy Neatherlin, Commissioner; Tim Sheldon, Commissioner; Frank Pinter, Budget Manager; Dawna Woodruff, Chief Deputy Treasurer and Scott Bauer, Northwest Municipal Advisor
- Lisa Frazier opened the meeting with a quarterly review of Mason County's finances as of April 30, 2016. Total cash & investments were \$182,020,423.41; current expense balance was \$8,034,907.64; investment interest collected was \$52,657, budgeted at \$95,000. Lisa also provided Daily Cash Sheets of Investments, a Summary of Assets held, and a Statement of Transactions. Banking fees were reduced due to the transition to Columbia Bank and should remain significantly less than BOA fees.
- Old Business:** Lisa stated that the conversion of banking services from Bank of America (BOA) to Columbia Bank is almost complete. As of May 9th, 22 of the 25 county and district accounts with BOA have been closed and the remaining three will be closed as soon as all items have cleared the bank.
- New Business:** Interfund Revolving Loan from ER&R to Current Expense – for Sheriff hand-held radios and new vehicles. In two prior finance committee meetings, March 28th and April 18th, there were discussions regarding this loan. It had been determined that Frank Pinter, Finance Manager, and the Board would meet with the Sheriff to establish a specific line item within the Sheriff's budget for loan payment. Pinter stated a conversation had not yet taken place with the Sheriff and suggested this topic will be discussed during the 2017 budget negotiations. Lisa was concerned about postponing the approval of this loan until

2017 since the purchases were made in 2016. Discussion ensued. Cmmr. Neatherlin suggested working with the Sheriff's office to pursue a budget amendment designating a line item for this loan while negotiating additional increases needed in their budget this year - or the possibility of revising the original Resolution. All were in agreement that further discussions with the Sheriff on this issue was necessary prior to further action from the Finance Committee.

Lisa introduced Scott Bauer from Northwest Municipal Advisors. He presented an in-depth analysis and considerations for refinancing outstanding debt in Mason County. He presented an overview of the Bond Market and identified which outstanding LTGO bonds and State loans would be most beneficial for the county to consider refinancing. He presented considerations for refinancing all, a portion, or none of the loans. Discussions ensued on these considerations. Members were very interested in pursuing further discussions regarding refinance possibilities and Cmmr. Jeffreys thanked Lisa Frazier for inviting Mr. Bauer and for initiating this conversation.

Meeting adjourned at 11:10 a.m.

Minutes Submitted by Karen Herr, Secretary of Finance Committee

~~10:30 A.M.~~ 11:15 a.m. BREAK

~~10:45 A.M.~~ 11:20 a.m. Support Services - Bill Kenny

Commissioners Jeffreys, Sheldon and Neatherlin were in attendance.

- May 31 Belfair meeting agenda was reviewed. The Commissioners asked that Ecology staff be invited to talk about the Sweetwater Creek property and what it takes to be removed from the contaminated site list.
- Briefing scheduled for presentation of key public opinion survey findings on voter support for creating a Mason County park district - Dave Metz, FM3 & Dee Frankfourth, The Trust for Public Land on June 13 @ 11 a.m.
- Invitation to 100 Day Challenge to End Family Homelessness @ Governor's Residence – June 6, 1:30 p.m. to 3 p.m.
- Interview Process for Support Services Director. A schedule will be developed for the first part of June and Dave Windom will be the alternate if a Commissioner cannot attend.
- Frank stated the information on the Squaxin Island Tidelands that the Tribe is requesting be quit claimed to the Tribe has been sent to the Prosecuting Attorney's office.
- Contract amendments for Sandhill and MCRA Parks with Robert Droll will be placed on the June 7 agenda.
- Cmmr. Jeffreys has met with members of the Allyn Belfair Subarea Citizens Advisory Committee. The Committee has requested their term be extended (per Resolution No. 28-15 the term of the Committee ends May 31, 2016). Recently the Committee Chair and another member have resigned. At this time, the Committee does not have any work product completed. The Commissioners would like additional information before extending the term. Staff will not be attending the June Committee meeting unless the term is extended.
- Frank presented with 2016 budget supplemental request from Public Defense that is in addition to what will be presented at tomorrow's budget briefing; Dawn presented a request for a budget supplement to pay for the Civil Service testing contract. The two testing contracts will be held until after the June 21 budget hearing.

11:15 A.M. Community Services – David Windom

Commissioners Jeffreys, Sheldon and Neatherlin were in attendance.

- Michael MacSems will read the Summer 2016 Mason County Heritage Grant cycle at the June 7 meeting.

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- 11:30 A.M. Mason Conservation District – John Bolender
Voluntary Stewardship Program (VSP)
Commissioners Jeffreys, Sheldon and Neatherlin were in attendance.
- John Bolender provided an update on the development of the Voluntary Stewardship Program in Mason County. A contract extension will need to be executed with the WA State Conservation Commission and the Mason County Conservation District. Agricultural data is being collected including aquaculture. A work group will be created to create the work plan for agricultural activity.

Commissioner Discussion – there was no discussion.

- 11:45 A.M. Closed Session – RCW 42.30.140 (4) Labor Discussion - rescheduled to 3:00 p.m.

BREAK

- 2:00 P.M. Thurston Mason Behavioral Health Organization Advisory Board Interviews
Commissioners Jeffreys and Neatherlin interviewed two applicants to the TMBHO Advisory Board. Commissioner Sheldon was absent.

- 2:30 P.M. Veterans Advisory Board Interviews
Commissioners Jeffreys and Neatherlin interviewed two applicants for the Mason County Veterans Advisory Board. Commissioner Sheldon was absent.

- 3:00 P.M. Closed Session
Commissioners Jeffreys and Neatherlin met in Closed Session from 3:10 p.m. to 3:50 p.m. for labor discussion with Bill Kenny and Frank Pinter.

- 3:52 P.M. Commissioner Discussion
Commissioners Jeffreys and Neatherlin were in attendance. Commissioner Sheldon was absent.
- Frank Pinter presented the following options for the interfund loan for Sheriff's Office hand-held radios and vehicles.
 - Request Sheriff move the interfund loan payments to the correct BARS line in the 2016 budget.
 - Move the Sheriff interfund loan payment to Non-Departmental to make payment.
 - Place all Current Expense ER&R payments in Non-Departmental.
 - Items 2 and 3 could be done in 2016 budget or in the 2017 budget.

Cmmr. Jeffreys stated she favors rewriting the interfund loan resolution so the payment is due in 2017 and budget all the Current Expense ER&R payments out of Non-Departmental. Cmmr. Neatherlin stated he is not in favor of having all the ER&R payments out of Non-Departmental but needs time to think about it. Cmmr. Neatherlin suggested the loan payment that is in the Sheriff's budget, although not in the correct BARS line, be used for jail outsourcing and rewrite the interfund loan so the first payment is due in 2017. Discussion of the option of paying the entire amount in either 2016 or 2017 and the impact to Current Expense ending fund balance. This will be discussed at Tuesday's budget discussion briefing.

Tuesday, May 24, 2016

- 2:00 P.M. Support Services – Frank Pinter
Commissioners Jeffreys, Sheldon and Neatherlin were in attendance.
- Frank reviewed the April 2016 financial statements. The projected 2016 ending fund balance as of May 23, 2016 is \$3,396,019.
 - Review of 2016 budget amendment requests for a total of \$995,208 plus a request from Human Resources/Civil Service testing, \$22,563 and Public Defense, \$332,374.

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If all the requests are approved, the projected ending fund balance would be projected to be \$2,500,000. Cmmr. Sheldon expressed concern with the requests and recommends the budget be re-racked. He believes the 2016 budget is over committed.

Frank suggested scheduling two budget hearings, one by end of June for the on-going items and a second hearing later this summer for the one-time items.


Each Commissioner weighed in on the budget amendment requests. Frank will bring back a revised document for the June 6 briefing so the June budget hearing can be set.

Respectfully submitted,

Diane Zoren, Administrative Services Manager

BOARD OF MASON COUNTY COMMISSIONERS


Terri Jeffrey
Chair


Tim Sheldon
Commissioner


Randy Neatherlin
Commissioner