

BOARD OF MASON COUNTY COMMISSIONERS' PROCEEDINGS
Mason County Commission Chambers, 411 North 5th Street, Shelton, WA
November 8, 2016

1. Call to Order – The Chairperson called the regular meeting to order at 9:04 a.m.
2. Pledge of Allegiance – Chair Jeffreys led the flag salute.
3. Roll Call – Present: Commissioner District 1 - Randy Neatherlin; Commissioner District 2 – Tim Sheldon; Commissioner District 3 – Terri Jeffreys.
4. Correspondence and Organizational Business
 - 4.1 Correspondence
 - 4.1.1 Evergreen Forest County Group sent an annual report on our Washington, D.C. advocacy efforts on behalf of Washington State's forest counties.
 - 4.1.2 Economic Development Council of Mason County sent their 3rd Quarter Report.
 - 4.1.3 The Liquor and Cannabis Board sent a marijuana license application for South Colby Investors LLC. 111 N.E. Ranch Drive STE C Tahuya, WA 98366.
 - 4.1.4 Sample ordinance provided by Bill McFarland regarding the abatement of chronic nuisance properties.
 - 4.1.5 Response from Mason County Democrats regarding the request for nominations for the Mason County Clerk position.
5. Open Forum for Citizen Input –
 - 5.1 Tom Davis announced a Veterans Stand Down is scheduled on November 19 that will provide a variety of services to veterans. Mr. Davis reported on the services that are provided to the veterans through the Veterans' Assistance Fund, a total of 88 veterans have been served to date for 2016. This Fund is funded by a property tax levy and there is a standardized process that is followed.
6. Adoption of Agenda - **Cmmr. Neatherlin/Sheldon moved and seconded to adopt the agenda as published. Motion carried unanimously. N-aye; S-aye; J-aye.**
7. Approval of Minutes – October 25 and November 1, 2016 regular meeting minutes
Cmmr. Sheldon/Neatherlin moved and seconded to approve the October 25 and November 1, 2016 regular meeting minutes. Motion carried unanimously. N-aye; S-aye; J-aye.
8. Approval of Action Agenda:
 - 8.1 Approval of a letter of support to WA State Department of Fish and Wildlife for Forterra's proposed conservation of an 816 acre property along Little Skookum Inlet in Mason County.
 - 8.2 Approval for Public Works/Equipment Rental & Revolving to use written and/or telephone solicitations for tire repair and towing services for the 2017 calendar year and execute and award contract(s). Mason County does not guarantee a minimum purchase of these services.
 - 8.3 Approval to approve and execute the resolution setting up a restricted fund balance of \$1,680,000 reserved for new road projects beginning with the 2017 adopted budget that will be approved by the Board either by the adoption of the annual budget or in a budget supplemental expense request. **Resolution No. 76-16 (Exhibit A)**

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- 8.4 Approval for Public Works to use written and/or telephone solicitations to establish a 2017 Surfacing Materials unit pricing vendor list and purchase quantities as needed for projects throughout Mason County, on an as needed basis.
- 8.5 Approval of Veterans Assistance Fund applications for: Necessity Items \$400.00, Utilities \$1,158.20 and Housing \$1,000.00 for a total of \$2,558.20 as recommended by the Veterans Service Office.
- 8.6 Approval of the Release and Hold Harmless Agreement to settle any and all claims, demands, damages, costs and attorney fees, expenses, penalties, liens, actions or cause of action, arising from the client services contract between Mason County Public Defender and FT Law, P.S. Attorneys, dated on or about December 27, 2014 in the amount of \$23,764.80 and requests for public records made by Christopher Taylor dated on or about May 7, 2015 to the Mason County Office of Public Defender in the amount of \$26,050, for a total of \$49,814.80.
- 8.7 Approval of the amendment #10 between the Department of Health and Mason County Public Health to increase the contract by \$129,906 for a total revised contract amount of \$1,506,438. This amendment affects the following programs: Emergency Preparedness & Response, Maternal & Child Health Block Grant and the TB Program.
- 8.8 Approval of Warrants

Claims Clearing Fund	Warrant #s	8043914-8043945	\$	40,347.07
Claims Clearing YTD Total			\$	27,166,229.12
Direct Deposit YTD Total			\$	11,429,520.11
Salary Clearing YTD Total			\$	11,995,954.22
- 8.9 Approval to award \$450,000 from the Rural County Sales & Use Tax Fund (.09) for the years 2017 – 2019 for current obligations of Belfair Sewer Phase 1.
- 8.10 Approval of the Memorandum of Understanding between Mason County and Teamsters Union Local No. 252 representing the Mason County General Services Collective Bargaining Unit to address the recruit and retain issue and the ability to provide necessary and essential public services.
- 8.11 Approval to Request for Proposals for janitorial service for County facilities. Proposals are due to the County by November 23 and specifications will be available on the county website – www.co.mason.wa.us .

In response to a request for an explanation of Item 8.6, Tim Whitehead, Chief Deputy Prosecuting Attorney, explained there was a breach of contract claim and public records lawsuit by Christopher Taylor of FT Law against the Public Defender’s Office. This agreement settles both issues.

Susan Sergiojan requested 8.6 be moved for a separate vote and discussion.

Cmmr. Sheldon requested Item 8.3 have a separate vote.

Cmmr. Neatherlin/Sheldon moved and seconded to approve action Items 8.1 through 8.11 with the exception of Items 8.3 and 8.6 which will have separate votes. Motion carried unanimously. N-aye; S-aye; J-aye.

Item 8.3 was explained by Melissa McFadden, County Engineer, stated this resolution came from a request from the Commissioners (Jeffreys & Neatherlin) in the budget process.

Cmmr. Sheldon stated he has never seen this type of resolution. He believes the road construction projects need to be in the annual construction plan. There was discussion of establishing connector roads to the Belfair Bypass and he does not support this resolution.

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Cmmr. Neatherlin stated this resolution allows for a process to put money aside for new roads for economic purposes.

Cmmr. Jeffreys spoke in favor of this resolution to put aside money for potential large projects. This resolution allows flexibility to address needs as they come up and reserves road dollars for construction of new roads.

Cmmr. Sheldon stated there are winners and losers when roads are put in for economic development purposes and he wants to be certain the public knows how the money is spent.

Frank Pinter made a correction to the resolution; it states "restricted fund balance" and should state "restricted balance within an existing fund."

Cmmr. Neatherlin pointed out any construction will need to be included in the annual construction plan.

Cmmr. Neatherlin/Jeffreys moved and seconded to setting up a restricted balance within an existing fund of \$1,680,000 reserved for new road projects beginning with the 2017 adopted budget that will be approved by the Board either by the adoption of the annual budget or in a budget supplemental expense request. Motion carried. N-aye; S-nay; J-aye. Resolution No. 76-16 (Exhibit A)

In response to a question asking if there was any disciplinary action taken because of the lawsuit from FT Law, Frank Pinter explained the Public Defense Administrator was placed on paid administrative leave by Human Resources, pending investigation of the matter.

Item 8.6

Susan Sergiojan, Public Defense Administrator, asked why the investigation was done without her input. She has not been talked to. She asked if the Commissioners know the settlement for the alleged breach of contract involves billing of time for court time when court was not in session. She worked with District Court on this for weeks and much of this time was billed when there was no court time. She also asked if the Commissioners know that a substantial amount of this breach of contract settlement involves double billing for hours spent on two different cases, also a substantial portion of the settlement billing is for attorney work time for hours where the jury was deliberating and attorneys were doing absolutely nothing. She questioned if the Commissioners know what they are paying for.

Cmmr. Jeffreys stated she does recall a briefing when Susan stated she wanted the contract null and voided.

Tim Whitehead, Chief Deputy Prosecuting Attorney, stated the settlement of all claims on both the public records claim and breach of contract claim have been reviewed by the Risk Pool attorney and that attorney has advised this is an outstanding settlement. Mike Dorcy, Prosecuting Attorney, and Mr. Whitehead also advise this is an outstanding global settlement for resolution of these claims against the county.

Cmmr. Neatherlin/Sheldon moved and seconded to approve the Release and Hold Harmless Agreement to settle any and all claims, demands, damages, costs and attorney fees, expenses, penalties, liens, actions or cause of action, arising from the client services contract between Mason County Public Defender and FT Law, P.S. Attorneys, dated on or about December 27, 2014 in the amount of \$23,764.80 and requests for

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public records made by Christopher Taylor dated on or about May 7, 2015 to the Mason County Office of Public Defender in the amount of \$26,050, for a total of \$49,814.80. Motion carried unanimously. N-aye; S-aye; J-aye.

Cmmr. Sheldon is very much in favor of settling these claims based on the advice of the Prosecuting Attorney's office and the Risk Pool.

Cmmr. Neatherlin also spoke in favor of this settlement and thanked the Prosecuting Attorney's office for their work on this issue.

9. Other Business (Department Heads and Elected Officials) –
9.1 Review of Public Defender's Administrative Leave Status
Frank Pinter, Support Services Director, stated the Commissioners have been presented with two options to resolve the Public Defender's Administrative Leave status.

Cmmr. Sheldon/Neatherlin moved and seconded to end the Public Defense Administrator's administrative leave status and terminate the employment of Susan Sergiojan as the Mason County Public Defense Administrator effective immediately, November 8, 2016. Motion carried unanimously. N-aye; S-aye; J-aye.

9.2 Election

Auditor Karen Herr reported there is a very high voter turnout in Mason County and she encouraged everyone to get their ballot in. Election results will be posted on the website about 8:15 p.m. this evening.

10. 9:30 a.m. Public Hearings and Items Set for a Certain Time –
10.1 Frank Pinter, Support Services Director, presented the following budget supplemental requests and transfers:
Supplemental Requests:
Increase Revenues \$300,000 and expenses \$300,000 for 911 Enhanced Communication to reflect true revenue collection and payments to MACECOM.

Increase Veterans beginning fund balance \$210,000 to transfer \$50,000 to Mental Health and \$50,000 to Community Support Service. Transfer \$50,000 from Veterans beginning fund balance to Veterans Homeless Prevention.

Staff recommendation is to increase the Veterans fund balance by \$100,000 in order to transfer \$50,000 to Mental Health and \$50,000 to Community Support Services. This corrects a budgeting and payment error. The end result is the \$100,000 paid to HomesFirst for Veterans homeless housing was totally funded by the Community Support Services Fund (#117)

Budget Transfers:

Transfer from Equipment Rental & Revolving Ending Fund Balance the following:

\$27,666 to Public Health
\$3,336 to Law Library
\$27,989 to Treasurer's Maintenance & Operations (M&O)
\$21,003 to Solid Waste
\$15,368 to North Bay/Case Inlet
\$3,586 to Rustlewood Sewer and Water
\$6,147 to Beard's Cove
\$5,123 to Belfair Sewer

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These transfers complete the 2012 Audit Finding for inequitable Equipment Rental & Revolving(ER&R) rates.

\$1,000,000 from Garbage/Solid Waste fee charges to Longhaul Solid Waste Disposal \$250,000 and \$750,000 to Landfill Ending Fund Balance.

\$245,800 from Landfill Ending Fund Balance to miscellaneous Contracted Professional Services \$78,000, Inter-fund Professional Services \$2,800 and Machinery & Equipment \$165,000.

\$50,000 from Skokomish Flood Zone Ending Fund Balance to Professional Services.

Cmmr. Sheldon confirmed these transactions do not impact the Current Expense Fund.

Cmmr. Jeffreys asked about the solid waste transfers.

Frank Pinter explained the transfers are from the ending fund balance in Landfill operating budget; \$250,000 to Longhaul Solid Waste Disposal and \$750,000 to unreserved ending fund balance

Public Testimony

Tom Davis finds it worrisome because he understood no money would come out of the Veterans' Assistance Fund or the Mental Health Tax for housing. He does not believe there is proper process in place.

Cmmr. Jeffreys stated the request for \$100,000 for veterans homeless housing came to the Commissioners three days before the 2016 budget was passed. She identified \$50K from the Mental Health Fund because it is probably the most flexible funding to support chemical dependency and mental health needs and housing is the biggest barrier to be qualified to participate in Therapeutic Court. She had discussions with HomesFirst and realized the \$50,000 from Mental Health could not be used for this housing. She appreciates Mr. Davis' advocacy but the Commissioners have a say in the spending of this money.

Cmmr. Neatherlin reiterated it was a last minute decision to find funding for veterans homeless housing and as soon as the Board realized the error in using the Veterans Fund, it was corrected.

Cmmr. Sheldon stated the budget process is extremely difficult starting with the budget instructions.

Cmmr. Neatherlin/Sheldon moved and seconded to approve supplemental and budget transfer requests:

\$300,000 increase budget for 911 Enhanced Communication Taxes revenue and expense.

\$100,000 increase Beginning Fund Balance – Veterans (190). Transfer \$50,000 to Mental Health (164) and \$50,000 to Community Support Services (117).

\$110,217 from Ending Fund Balance ER&R to Health, Law Library, Treasurer's M&O, Solid Waste, North Bay/Case Inlet, Rustlewood Sewer and Water/Beard's Cove/Belfair Sewer. This supplemental request will complete the 2012 Audit Finding for inequitable ER&R rates.

\$1,000,000 from Garbage/Solid Waste Fees/Charges to Longhaul Solid Waste Disposal \$250,000 and Budgeted Ending Fund Balance – Unreserved \$750,000.

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\$245,800 from Landfill Ending Fund Balance to Miscellaneous Contracted Professional Services \$78,000, Inter-fund Professional Services \$2,900 and Machinery and Equipment \$165,000. Motion carried unanimously. N-aye; S-aye; J-aye. (Exhibit B)

Cmmr. Neatherlin thanked the veterans for their service to our country.

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 10:34 a.m.

BOARD OF COUNTY COMMISSIONERS
MASON COUNTY, WASHINGTON



Terri Jeffreys, Chair



Tim Sheldon, Commissioner



Randy Neatherlin, Commissioner

ATTEST:



Clerk of the Board

**RESOLUTION NO. 76-16
RESTRICTED BALANCE RESERVED FOR NEW ROAD PROJECTS**

WHEREAS, the Road fund budget is required to be prepared as set forth by RCW 36.82.160 and the County Road Administration Board.

WHEREAS, the Public Works Department has been directed by the Board of Mason County Commissioners to set aside a balance of \$1,680,000 for use on future road projects beginning with the 2017 adopted budget.

WHEREAS, expenses of the restricted balance reserved for new road projects use will be determined either in a budget supplemental expense request or as expenses in the adoption of the annual budget each year.

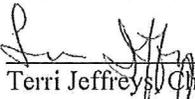
WHEREAS, the annual construction program shall include a listing of all proposed construction projects for the year, regardless of funding source, as set forth by WAC 136-16-020. The Public Works Department shall evaluate and recommend revisions to the Annual Construction Program, if needed.

NOW THEREFORE BE IT RESOLVED THAT the Road Fund shall set aside a restricted balance reserved for new road projects of \$1,680,000 beginning in the 2017 adopted budget.

BE IT FURTHER RESOLVED THAT expenses from the restricted balance within the Road Fund reserved for new road projects shall be approved by the Board of Mason County Commissioners either in the adoption of the annual budget or in a budget supplemental expense request.

EFFECTIVE this 8th day of November, 2016.

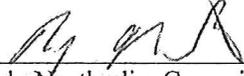
BOARD OF COUNTY COMMISSIONERS



Terri Jeffrey, Chair

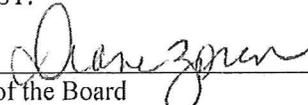


Tim Sheldon, Commissioner



Randy Neatherlin, Commissioner

ATTEST:



Clerk of the Board

APPROVED AS TO FORM:



Tim Whitehead, Chief DPA

ORDER

2016 Budget

IN THE MATTER OF:
BUDGET TRANSFERS – NOTICE OF HEARING
RESOLUTION NO. 71-16
DATED AND PASSED: 10/26/2016
FOR BUDGET TRANSFERS OF:

Budget Transfers:

Transfer \$110,217 from Equipment Rental & Revolving Ending Fund Balance to: \$27,666 Public Health, #3,336 Law Library, \$27,989 Treasurer's M&O, \$21,003 Solid Waste, \$15,368 Rustlewood Sewer & Water, \$6,147 Beard's Cove, \$5,123 Belfair Sewer.

Transfer \$1,000,000 from Garbage/Solid Waste Fee Charges to: Longhaul Solid Waste Disposal \$250,000 and \$750,000 to Landfill Ending Fund Balance.

Transfer \$50,000 from Skokomish Flood Zone Ending Fund Balance to Professional Services.

Supplemental Request:

Increase revenue \$300,000 and expense \$300,000 for 911 Enhanced Communication.

Increase Veterans beginning fund balance \$100,000 (190). Transfer \$50,000 to Mental Health fund (164) and \$50,000 to Community Support Services (117).

WHEREAS, a notice was published and a public hearing was held in accordance with RCW 36.40.100 and RCW 36.40.195 and with Resolution 71-16.

THE BOARD OF COUNTY COMMISSIONERS OF MASON COUNTY, hereby approve the following budget transfers: Transfer \$110,217 from Equipment Rental & Revolving Ending Fund Balance to: \$27,666 Public Health, #3,336 Law Library, \$27,989 Treasurer's M&O, \$21,003 Solid Waste, \$15,368 Rustlewood Sewer & Water, \$6,147 Beard's Cove, \$5,123 Belfair Sewer. Transfer \$1,000,000 from Garbage/Solid Waste Fee Charges to: Longhaul Solid Waste Disposal \$250,000 and \$750,000 to Landfill Ending Fund Balance. Transfer \$50,000 from Skokomish Flood Zone Ending Fund Balance to Professional Services.

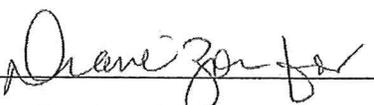
Supplemental Requests: Increase revenue \$300,000 and expense \$300,000 for 911 Enhanced Communication. Increase Veterans beginning fund balance \$100,000. Transfer \$50,000 to Mental Health and \$50,000 to Community Support Services.

BE IT FURTHER RESOLVED that these budget transfers and supplemental appropriations will be expended and recorded in the 2016 budget.

PASSED in open session this 8th day of November, 2016

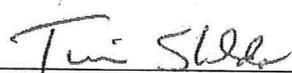
BOARD OF COUNTY COMMISSIONERS
MASON COUNTY, WASHINGTON

ATTEST:


Clerk of the Board


Terri Jeffreys, Chair

APPROVED AS TO FORM:


Tim Sheldon, Commissioner


Tim Whitehead, Chief DPA


Randy Neatherlin, Commissioner