



Board of Commissioners Work Study Session Minutes

8:30 AM Wednesday – June 23, 2010

Port Blakely Conference Room

Attending:

County Commissioners: Josh Brown, Steve Bauer, Charlotte Garrido

County Administrator: Nancy Buonanno-Grennan

Commissioners Staff: Opal Robertson, Deanna Erstad

Personnel: Bert Furuta

Parks & Recreation: Jim Dunwiddie

Strategic Financial Planning: Amber D'Amato

Public Works: Randy Casteel, Pat Campbell

Information Services: Bud Harris

Juvenile: Nancy Wison, Saaed Saber, Jennifer Martin

Clerk: Alison Sonntag

Community Development: Jeff Rowe-Hornbaker

Sheriff: Ned Newlin

Citizens: Vivian Henderson

Randy Casteel – Agenda item 5B contract KC-204-10 with William Scotsman, Inc for Hansville Dropbox attendants booth. Prefab building – has to be approved from Labor & Industries. Regulation changes are coming July 1st and if we don't get permits prior to that we will have to go back through the process. Need to get the contractor started today. He asked that the Board sign the contract today and KC-204-10. Motion made to sign the contract today. Pass unanimously.

1. Agenda Review for 6/28/10 Meeting

- *Action:* Commissioner Brown asked that we add recognition of Jon Brand who was named Washington Association of Counties Engineer of the Year for an Urban County. Jon was presented this award at the WSAC Conference last week.
- Remove Item 5A from Consent Agenda – Resolution authorizing street closure for the Silverdale Whaling Days Festival in Central Kitsap.
- Add Item 6C to Consent Agenda – Access and Utility Easement request by Rick Tronson.
- Item 6A was removed from the Consent Agenda – Resolution approving the concept plan for the Newbery Hill Heritage Park in Central Kitsap.

2. Information Sharing

Commissioner Brown

- The Board had a meeting a week ago with Electeds on the status of the 2011 budget. To be able to realize \$5.7 million cut we would see 87 layoffs. We are looking at cuts on a program

basis and looking at program levels we can provide with cuts. He said he would like to see this group work together to come up with helpful ideas. We need input from our directors on an approach to making the necessary cuts.

- He would like an update about Kitsap One calls.

Commissioner Bauer

- He would like to make time today to go over what we discussed with the Electeds.

Randy Casteel

- Received notice from DOE we are eligible for \$524,000 grant for stormwater projects. He will come to Board to talk projects they want to get complete.

Bud Harris

- Update on windows project at courthouse – 25% complete. Will be complete by mid July, not the end of June as we originally thought. Commissioner Brown would like to be kept in the loop as to the status in connection with the budget.
- Remodel of Sheriff's office – moving along
- There were a couple of key local conferences here in the in Northwest that tie back to the broadband stimulus process that we are a part of. We are a \$3million piece of a \$40+million state-wide activity.
- FYI Central Kitsap School District went to separate deal so the \$2million piece was picked up by the Public Utility District that allowed fiber backbone out to distant parts of the county with destinations to fire stations and that type of thing.
- Reminder that a group of people will be testifying with Federal Communications Commission in next month or two on whether cable television franchises be nationalized, changed to state level control or retained at the local level.
- FYI – Washington Broadband Summit – National level they are still declaring that broadband is considered 768k download and 256 upload. which is crawling speed. The FCC is trying very hard in the re-write on the Telecommunications Act to get that changed to be 4mb upload and 1mb download.
- 4th floor cutover to Outlook is scheduled for Tuesday, July 13th.

Amber D'Amato

- She and Nancy met with the bond team and our financial advisor yesterday to review the schedule for the LTGO (Limited Tax General Obligation) Bond that is coming up on the 28th. This group will be back to talk to you about both the debt policy and the financing policy related to this bond issue. We are on track for a sale and closing in August for the bond.

Jim Dunwiddie

- Commissioner Garrido hosted initial meeting with our consultants for the South Kitsap Park. We are putting together a schedule for the year and setting up a meeting for July 1st to meet with the Skate Park folks to get their input on the design. We have extracted the playground from the overall design of the park and placed it on the fast track to show the community that something is occurring. We are hoping the playground will be installed by early fall.

- Gordon Field turf – we are looking at several types and will break ground the day after every one has cleared out from the fair.
- We had a preliminary grant presentation with Recreation Conservation Office and received favorable comments from the panel. Our formal presentations will be made in August.
- Tested e-ticket program and had full staff training last Friday.
- The Fair schedule will be distributed to Board this week and you can decide what events you want to be involved with.
- Our improperly placed cell Tower at Gordon field caused potential grant applications to be in jeopardy. We are hoping to have cell tower moved in August. We have received assurance from RCO that this will not be held against us during this round of grant applications.
- The Point No Point Lighthouse – were notified last Tuesday that the Historic Preservation Trust Grant of \$100,000 grant has been awarded. All renovation items can be done except heating system in the office. Comm. Bauer feels that should be rolled up with one of our energy grants.
- Annual Chili Cookoff is scheduled for July 13th.

Jeff Rowe-Hornbaker

- Good news – We are currently at about 97% of revenue this month – that has been more or less steady throughout the month. Labor and Industries is changing code July 1st and the same is applicable for all the international codes, although the Governor has asked the delay on implementation on the energy code until April of 2011.
- Haven't seen much of a surge of permit activity. It has risen but it's risen in commercial work and also in a steady stream of remodel.

Bert Furuta

- Lynn Huson moved back to California. They are going to hold off on filing that position.

Commissioner Garrido

- She is probably going to go to the Puget Sound Clean Air Agency meeting tomorrow. She had brought up some concerns about their budget in terms of compensation of employees, ie COLAS and longevity etc. She doesn't feel they should expect to be awarding COLAS when no one else is doing it.
- Eloise, our volunteer is in the hospital. She will keep everyone posted on her condition.

2. Budget Review

- The Board talked about their meeting yesterday with the Unions. Commissioner Bauer said he thought it was a good discussion. They needed some time to digest it. What we did last time was some one-time fixes and we are paying the price. It's clear that we are not out of the woods yet. There are three pieces we tried to talk about with the Unions: **1.** What do we do for the rest of 2010 and 2011? **2.** What we do in terms on long-term compensation policies so that we're positioning the organization to fit within its revenue stream? **3.** We need to really look at producing more revenues for the organization in the future. What we need to do is get back into the property tax business. We need to take something to the voters next year. We will have to do a lot of work in terms of outreach and talking to people. This often takes a

couple of tries before it passes. Because of the depth of the cuts we are looking at for 2011, people are really going to see that there are real consequences and real services and issues at risk here.

- We are in for some pretty tough times over this next year. Somehow we have to find a way to really see the bigger picture and discriminate in terms of how we evaluate programs.
- Commissioner Brown said when we have such big numbers staring at us in terms of a budget cut we need to take a look at what in the long run makes most sense for the public and the county. We could do an across the Board 7% cut tomorrow – that would be the easiest thing, but he doesn't feel that is the best thing for the public. We owe the public a discussion regarding service levels. He would like to see that done well before we adopt the budget. We show what the effects of the cuts are and see if the public wants to step up and help (parks etc.) For the majority of things we do it's not going to be possible. We can give them options for service levels, the fair, park closures, sheriff deputies etc. He is just not comfortable doing across the board cuts. We hear from the public the core functions are law enforcement, roads and then parks. The problem is those three things are things we only do in unincorporated Kitsap. We are a regional government and all the things we are doing as a regional government provider, things that people really value like elections, court systems, funding for the Health District and those are things we don't really talk about very much. It's going to be a tall task working with the Electeds to build a process, but he feels we are working really hard to be collaborative. We also really owe it to our employees to be collaborative. It's a tough time for folks and he knows people are nervous.
- Commissioner Garrido said all three Commissioners have a similar responsibility to adopt a budget and they each bring different perspectives to the approach. She agrees with everything she has heard from the other two Commissioners but her perspective is that she has heard everyone say they are going to cut something that's going to hurt a little bit. She really appreciates that. What she looks for is some commonality across government and the partnerships with citizens and begin to look at what are the vision, mission and goals and where are the ways that we can be working more together to make sure we are doing that differently. We've changed the way we do business and we still need to continue changing. As we look toward our budget we need to be looking toward what it is that we need to be agreeing across departments what is essential and then agreeing how that can best be addressed. She feels if we really look hard we can find some efficiencies just by looking at two departments that are doing something similar that can be consolidated and enhanced. The big picture is something we need to bring into a little more focus of why we are doing what we are doing and what we need to be doing the strongest and where we might lighten up a little. She feels this is not only a public conversation but one with the Electeds, Unions and our Executive group. She said we have lots and lots of work to do between now and adoption of the budget.
- Bud Harris discussed peaks and valleys in departments – why are we staffing at full strength around the year when 2 part-time extra help at the two peak times would solve 2 FTEs? Why can't we share resources? Nancy said she has talked with several Electeds about the peaks and valleys and sharing resources.
- Commissioner Brown said we have 6 months before we have to adopt the budget and have to cut almost \$6,000,000. Is cutting 7% for each department the best way to get the ideas that make the most sense for building efficiency, meeting the demands of the public. He discussed things like the marine patrols, role the Sheriff plays in evictions. etc. He will be meeting with each elected. Public needs to believe that we have cut almost as much as we can cut and if they don't, we have no chance of going to them for a levy. Public perception is vital.
- Jeff Rowe-Hornbaker talked about sharing resources. A dialog is beginning for regionalized services for building services. The same code has to be adopted inside and outside of the

Urban Growth or city boundaries. That begins next month with the HBA being the instrument on trying to begin that dialog with the cities.

- Commissioner Brown said he would like to give everyone a week or two to think about how to meet these cuts and come back with suggestions.

3. **Resource Conservation Update - Autumn Salamack**

Autumn reviewed and asked for approval of possible projects to utilize EECEBG funds. She identified potential funds available for redistribution:

- Pavilion solar hot water heater - \$19,000
 - Courthouse window replacement (under budget) - \$30,000
 - Pavilion & President's Hall lighting upgrades - \$30,394
 - Phase III Built Green Program (funds transfer) - \$253,259
 - Total Potential Funds - \$332,653
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- She identified 2 programs that could be funded.
 - Increase the number of radiant heating tubes in President's Hall
 - Enhance Loan Reserve Program with Kitsap Weatherization Program

Discussion Points:

- Would like to see if some of this money can go to the Point No Point Lighthouse.
- Asked how we are going to prioritize who gets the rebates? Autumn said the plan is first-come-first-served.
- Suggested that an amount get set aside for small businesses.
- Amber said several other small projects have come forward that would fit into our funds.
- Commissioner Garrido said she is looking at the energy efficiency weatherization program as something we will be seeking additional funding for.
- One other opportunity – Climate Showcase Communities Grant – a grant from EPA ranging from 100,000 - \$500,000 in grants that are really highlighting projects that reduce green house gas emission that have a strong community involvement and that are replicable.

Action: Commissioner Garrido would like to know costs and benefits to us specifically

➤ **5 MINUTE BREAK**

4. **Grant Approval Request – Greg Cioc**

Greg asked that they discuss and determine which projects (if any) should be submitted to the PSRC for the Enhancement Funds call for projects. The application deadline is July 12th. He talked about two Enhancement projects he is proposing:

- Fairgrounds Road sidewalk – asking for \$500,000 – is in 2016 TIP for design.
- Regional Trail Plan – asking for \$250,000.

Action: Board agreed Greg should move ahead with the applications.

➤ [Parks Masterplanning Process/Newberry Hill Concept Plan – Jim Dunwiddie](#)

Martha Droge talked about the Newberry Hill Heritage Park Conceptual Master Plan – The next phase would be to complete the booklet.

- Acquisition of park parcels
- Public process 2009-2010
- Master Plan Steering Committee
- Outreach
- Communication/Education tools
- What is a park master plan?
- Why do a park master pan?
- Guiding principles
- Observations – regional context, natural corridors
- Summary of observations
- RCO Grant Conservation Easement
- Critical Areas Ordinance requirements
- Concept A and B features
- Refined concept
- What is not in the concept?
- Being a good neighbor

Commissioner Bauer commended Martha on the great job she has done on this project. Commissioner Brown said he would like to have document showing the process to be kept so we have a record of all the work that has been done.

- Action: Martha will make an addition of 2 sentences to the resolution, remove the word “Conceptual” from the title and will also attach her presentation. She will give this presentation at the June 28th Board meeting.
- Shelley Kneip gave the Board an update on Westbury. Section 108 proposal. She provided the Board with a summary sheet of terms and conditions which Commissioner Bauer had requested at the last meeting. She said hey also added some conditions that require full compliance with any and all HUD (Housing & Urban Development) requirements.

Discussion Points:

- Board said we need something more specifics in terms of insurance.
- Set thresholds they have to meet before they even bring it to us.
- Mark Gardiner joined the meeting via conference call.
- Bauer said we asked for some threshold standards to be spelled out in terms of quality of the insurance company they use. This needs to be included in the term sheet.
- Struggling with why the company would do this in terms of benefits of them being able to keep equity.
- If all this done correctly in terms on insurance, escrow agreements, what is the risk to the CDBG (Community Development Block Grant) fund?
- If done right then you have 2 areas of risk and one additional consideration....risk relate to failures of participants in those transactions.

- Insurance piece of it – if we make sure it has appropriate documentation and security that should be a minimal risk.
- Commissioner Bauer said assuming all is in place, other potential is the process of enforcing the agreement if there is a default and the delay before we would actually get any of the money recovered against the loan. If the documents are drafted properly then we should be able to exercise the security interests. We need to be really crystal clear what constitutes a default in the agreement.
- Is CDBG going to recover their ongoing administrative costs? Shelley said Westbury pay those costs as well.
- Nancy said they are due to get back to us. Shelley will be out of the office for awhile on personal business and Mark will take the lead with Westbury.

The Commissioners recessed into executive session at 12:00 to discuss real estate issues pursuant to RCW 42.30.110 (1) (c). No action was taken. 12:00

ADJOURN

Submitted by Deanna Erstad
Commissioners Office