



Board of Commissioners Work Study Session Minutes

8:30 AM Wednesday – August 11, 2010

Port Blakely Conference Room

Attending:

County Commissioners: Josh Brown, Charlotte Garrido

County Administrator: Nancy Buonanno-Grennan

Commissioners Staff: Deanna Erstad, Nancy Hahn, Dana Daniels,

Information Services: Bud Harris, Craig Adams

Strategic Financial Planning: Amber D'Amato, R'Lene Orr

Public Works: Randy Casteel, Doug Bear, Audrey Shannon, Dave Tucker, Stella Vakarcs, Dean Brown, Barbara Zaroff

Treasurer: Meredith Green

Citizen: Vivian Henderson, Wade Larson

Susan Musselman – SDM Advisors

Press: Chris Dunagan

1. Approve Minutes for August 4, 2010

Action: Minutes were approved with minor corrections.

2. [Sewer Financing Plan Review](#) – Nancy Buonanno-Grennan, Susan Musselman

Stella said their goal for today is to get direction from the Board to bond two major Wastewater projects, finance 1999 bonds, and install energy saving upgrades utilizing Recovery Zone, Build America, Energy Conservation and tax exempt bonds. 951

Their recommendation is to take advantage of the special bonds offered in 2010 in order to benefit from interest subsidies provided with the different bonds and keep cash reserves on hand to use design of future projects.

Susan talked about tools available for County financing through December 31, 2010:

- Recovery Zone Economic Development Bonds – Up to \$7,527,000 – Bonds sold as taxable bonds, with 45% interest subsidy from the Federal Government.
- Qualified Economic Development – Up to \$2,485,000 (does not expire). Bonds sold as Taxable bonds with 70% interest subsidy from the Federal Government.
- Bonds and Build America Bonds – No limit on amount. Bonds sold as taxable bonds, with 35% interest subsidy from the Federal Government.

She walked the Board through 4 different scenarios:

- Scenario A – New money level debt service, refunding level savings
- Scenario B – New money wrapped debt service, refunding level savings
- Scenario C – New money and refunding wrapped debt service
- Scenario D – New money is deferred debt service, refunding level savings.

Action or input requested today from the Board is:

Confirm direction to proceed with issuance of Sewer Revenue Bonds for headworks and pipeline projects, estimated between \$21.5 and \$23 million.

Provide feedback on Bond sizing in light of \$10 million public works trust fund loan application.

Provide preliminary feedback on structuring options (A-D), and additional information that would be helpful to the Board.

Include refunding of 1999 Sewer Revenue Bonds, subject to market conditions and recommendation from the County Finance Committee.

Commissioner Brown would like to ensure we are doing projects that are responsible.

Nancy will take steps to work with Susan on a resolution establishing the recovery zone.

The Board asked that Susan bring back a couple of more detailed approaches to Scenario D.

Nancy will schedule to come back the week of August 30th as a full Board after they have had an opportunity to brief Commissioner Bauer.

3. [Kitsap 1 Briefing](#) – Doug Bear and Bud Harris

Bud gave a brief introduction and background on Kitsap 1 and how it applies to the Commissioners and staff.

Doug Bear gave a presentation on the process and the ways it can be used to track and maintain information in a database that is easy to access.

He answered several questions the Commissioners had.

The Board recessed into Executive Session at 10:30 to 10:45 to discuss a personnel issue pursuant to RCW 42.30.110 (1) (g). No action was taken.

The Board recessed into Executive Session at 10:45 – 11:30 to discuss real estate issues pursuant to RCW 42.30.10 (1) (b)

Adjourn

Submitted by Deanna Erstad
Commissioners Staff

