

**BOARD OF COUNTY COMMISSIONERS
LEWIS COUNTY, WASHINGTON
BOARD MEETING MINUTES
April 19, 2010**

The Board of County Commissioners for Lewis County, Washington met in regular session on Monday, April 19, 2010, at 10:00 a.m. **COMMISSIONERS P.W. SCHULTE, and F. LEE GROSE** were in attendance. **Commissioner Averill** was absent. **Chairman Schulte** determined a quorum, called the meeting to order and proceeded with the flag salute. **Commissioner Grose** moved to approve the minutes from the 10:00 a.m. meeting held on Monday, April 12, 2010. **Chairman Schulte** seconded the motion.

Motion carried 2-0

Notice

Commissioner Grose made a motion to approve Notice Item one. **Chairman Schulte** seconded the motion. Karri Muir, Clerk of the Board read the item into the record.

1. Notice of Acceptance: Acceptance of the ARRA Davis Lake Road and Jackson Highway Projects. Resolution No. 10-098

Rod Lakey, Public Works, stated this project is acknowledgement that all receipts have been received for this project. The final contract amount was \$1,777,075.98 and all work and contractual obligations have been met. This is a notice to any and all contractors, who may have claims to the contract, that we have accepted it. They have 45 days to pursue any action pertaining to work on this project

Commissioner Grose asked what the original estimate was on these projects.

Mr. Lakey stated it was just under \$1.8 million dollars.

Commissioner Grose asked if the 45 days is in relation to retainage that has been held on the project.

Mr. Lakey stated primarily yes. This serves as final notice to everyone before the retainage is released.

Motion carried 2-0

Consent

Commissioner Grose made a motion to approve Consent Items two and three. **Chairman Schulte** seconded the motion. Karri Muir, Clerk of the Board read the item into the record.

**3. Resolution No. 10-099 Proposed acquisition of additional right of way for
Koontz Road.**

Rod Lakey, Public Works, stated the purpose of this project is to improve the alignment, widen and reconstruct the roadway and add safety improvements. The project will require the right of way acquisition from thirteen property owners.

Commissioner Grose stated we are doing roughly two miles of road.

Mr. Lakey stated that was correct and the project is 86.5% funded through RAP funding.

3. Resolution No. 10-100 Establishing the Gambling and Fraud Enforcement Fund No. 165

Michael Golden, LC Prosecutor stated the WA State Gambling Commission, the Lewis County Prosecutor's Office and the City of Chehalis Police Department all worked together on a case which involved an internet gambling organization. The local tie to this case is that Ron Ehli had bank accounts in Chehalis, WA. When we served a search warrant on them in September of 2008, \$4,183,561.23 was seized in illegal gambling proceeds. A notice was given to Ron Ehli that he could challenge this if he wanted. He fled the country instead of trying to get the money back. The Gambling Commission was so successful last year, in seizing money, that they were able to share some of the proceeds. As a result Lewis County ended up getting a check for \$643,027.82. This money has limited use. It can only be used for fraud or gambling fraud, such as addiction or prosecution. The Prosecutors Office will use their portion of the money to fund a position that is funded by a grant that will run out at the end of June. There are other organizations in the County that have a similar need. The Sheriff's Office and the Lewis County Drug Court will share in the funding through this resolution. The funding will be as follows:

Drug Court:	\$200,000.00
Sheriff's Office	\$200,000.00
Prosecutor's Office:	\$250,000.00

If the funds are not used within a couple of years they will come back to the Prosecutor's Office. The Prosecutor's Office will then try to use the funds up before they have to go back to the State.

Judge Nelson Hunt, Superior Court, thanked Mr. Golden, for his continued commitment to Drug Court, the BOCC, and Dawna Truman. It is unusual to say that Drug Court should get gambling related funds. He noted that addiction is addiction and gambling is part of the addiction problem. A number of our committing offenses have a lot to do with drugs, but also a lot to do with fraudulent behavior. The Gambling Commission is aware of the restrictions on how this money can be spent and they have said that Drug Court can be included. Drug Court is grateful to receive these funds. He noted that the only discretionary program Superior Court has is Drug Court. They know that despite all of their commitment to Drug Court, they have to take the budgetary hits as they come for everyone. Fortunately we have been able to avoid having to slash the program to a point where it is meaningless. We are able to continue our mission, but it is the extra things that make Drug Court not just a good program, but a successful program. These additional funds will be spent on the things that we could not do given

our current budgetary system. This is a tremendous gift. We are very excited about it and we will be able to do the things that we haven't been able to do.

Commissioner Grose stated the Board had some concerns about this money and making sure we weren't putting ourselves in a bind. We checked with the State Attorney General and got it straightened out.

Judge Hunt stated the local experts have said this is an appropriate use for these funds.

Mr. Golden stated the Gambling Commission and the State Auditor Office (SAO) have both been very responsive with the use of these funds. The use of the money within the PA's Office or the Sheriff's Office is not an issue with the SAO. Within the Drug Court, we believe its purpose to alleviate all the behaviors that are associated with drug use, are related to fraud. We will be working with the SAO and the Gambling Commission when we make expenditures to ensure they are okay with them. We did put a provision in the resolution that the money be reverted back if not used.

Motion carried 2-0

Bid Opening

Chandler Bridget Rehabilitation Project

Chairman Schulte announced the bid opening and asked staff to open the bids.

Rod Lakey, Public Works, went over the project specifics. The Engineer's Estimate for the project was \$3,082,022.10. There were no addendums, but there was a clarification notice that was put on our website. There is a 5% bid bond required with all bids submitted.

Contractor	Address	Amount
Advanced Construction, Inc.	Mukilteo, WA	\$4,258,665.00
NOVA Contracting, Inc.	Olympia, WA	\$3,345,100.00
Harbor Pacific Contractor's, Inc.	Woodinville, WA	\$3,681,541.00
Tapani Underground, Inc.	Battle Ground, WA	\$3,147,227.15
Sterling Breen Crushing, Inc.	Chehalis, WA	\$3,100,745.10
Quigg Brothers, Inc.	Aberdeen, WA	\$2,832,687.00
Boss Construction, Inc	Bellingham, WA	\$2,850,620.41
Rodarte Construction, Inc	Auburn, WA	\$3,284,264.80
Rognlin's, Inc	Aberdeen, WA	\$3,189,561.00

Mr. Lakey stated they will evaluate the bids. This is a FEMA project so they are estimating a two week turn around before they bring it back for recommendation.

Hearing

CDBG Grant Funding

Chairman Schulte announced the hearing and asked staff for a report.

Barb Kincaid, Community Development stated a couple of things needed to be done before the Commissioners approve the submittal for a grant application for Federal funds. These are HUD funds and the program is called Community Development Block Grant (CDBG). The CDBG is administered through the WA State Department of Commerce and we have Federal and public participation requirements that we must meet. She went over the process she would be following during the hearing to meet the guidelines of the grant. The Federal requirements, before we make application for CDBG funds, states that the residents and decision makers need to be made aware of these funds. She has prepared documents for the public that are available at the hearing that describe the grant and the funding. The purpose of the public hearing is to gather any comments from the public on any community projects that they would like the BOCC to hear before they select a project applicant and to get input on the Community Development proposals. It is important to make sure that everyone has the opportunity to give input because the CDBG is only available once a year. The application has to reflect that it is a priority for community development or housing needs. There is a sign in sheet for anyone to sign up to ask questions or speak for or against the project or make other suggestions for other projects. This Hearing was noticed to meet the Federal requirements. The County has also adopted a grievance policy, and there are copies of that for the public also. The outreach and accommodation for non-English speaking citizens was done. The determination is that there were not a significant number of non-English speaking citizens that we needed to have the handouts in another language or a translator to help with the language gap.

The project Community Development is proposing is the Packwood Sewer Project. In 2002 the Packwood community and the County recognized a need to try to get a public sewer system in Packwood. This project will request \$35,000.00 from the grant funds. The total project budget is \$70,000.00; Lewis County .09 Distressed Funds are funding the additional amount (\$35,000.00). This funding will be used for update and adoption of the completed planning work, before going into design and construction for a treatment and disposal sewer system for the Packwood community.

Chairman Schulte stated his understanding is that we can only submit only one application for the year for the County, but the cities and towns that are incorporated can also submit their own grant application.

Ms. Kincaid stated that is correct. Eligible cities, towns, counties where the project is determined to benefit low to moderate income people, are under the rules and may submit their own independent applications and receive awards.

Chairman Schulte asked if there were any other questions. There was none. He closed the question and answer portion of the hearing and opened the formal hearing.

Ms. Kincaid asked that her previous comments be adopted into the record.

Commissioner Grose stated this project had been going on long before he started in office. He mentioned this to the Governor's Office and they said they would look into it. It was looked into and a lot of the planning work had already been done. The plan did need to be updated because the other plan was outdated. We started to try to find updated information and the demographics of Packwood haven't changed dramatically over the past eight years. This planning grant is to get that information up to date, so we can try to get a bid put together for the sewer project. He is in favor of this grant application and feels it is important that we move forward with it.

Chairman Schulte stated that all three commissioners agreed that this is a priority project. He asked if there was anyone who would like to speak for or against the Packwood Sewer Project. There was no one. He closed the hearing and asked for a motion to approve Resolution No. 10-101.

Commissioner Grose moved to approve Resolution No. 10-101. **Chairman Schulte** seconded the motion.

Motion carried 2-0

Hearing: **1st 2010 Budget Amendment**

Chairman Schulte announced the hearing and asked for a staff report.

Dawna Truman, Budget/Fiscal Services Director stated she is here to request approval of the 1st 2010 budget amendment. This Public hearing was published in the East County Journal on April 7th and 14th. She reviewed a summary of changes affected by budget amendment Resolution No 10-102. She noted that this budget amendment looks rather large, but it is because of the Gambling Fraud taxes that were approved, and they need to be deposited into a new fund established as Fund 165. Depositing the money in Fund 165 guarantees we can track the money and make sure it is spent appropriately. We also have to budget a \$643,028.00 transfer out of Fund 165 and we budgeted a transfer into Current Expense of \$643,028.00. This is one large budget item, budgeted three times. Whenever you do transfers there is a duplication of budget items. She noted that details and a description of each budget change are available at the front of the room.

CURRENT EXPENSE: \$703,325.00

Supplemental appropriations (increasing revenue, increasing expenditures) total: \$15,765

- **Assessor:** Transfer of budget between line items.
- **Sheriff: \$15,765.00** Increasing revenues and expenditures in the amount of \$15,765.00 for the Washington State methamphetamine grant rollover for the unexpended portion of the grant from 2009.

Emergency appropriations (use of reserves to cover costs) total: \$687,560

- **Non-Departmental: \$643,028.00** Increasing transfer in from Gambling and Fraud Enforcement Fund 165 in the amount of \$643,028.00 and increasing fund

balance. This is restricted revenue and will be used for gambling and fraud prevention. Per the Prosecutor \$243,028.00 will be used in the Prosecutors budget, \$200,000.00 for the Sheriff's Office for investigation and equipment to assist in such activities, and \$200,000.00 for the Lewis County Superior Court to be used for Drug Court

- **Assessor: \$20,000.00** Increasing revenues and expenditures in the amount of \$20,000.00. Funds will be deducted from the Open Space Fund No 676 and placed into Current Expense for the Assessor's Salary Budget; funds will be used for extra help to scan Current Use/Open Space documents.
- **Prosecutor: \$15,000.00** Use of fund balance and increasing expenditures for professional services to hire a contractor to represent Lewis County, local incorporated communities and other organizations in an effort to correct preliminary maps developed by FEMA of the floodplain and floodway of the Chehalis River in Lewis County.
- **Human Resources: \$20,000.00** Use of fund balance and increasing expenditures for professional services to conduct an economic study for arbitration.
- **Juvenile: \$(600.00)**
 - Increasing revenue \$600.00 and increasing fund balance for funds received for training staff in the guardian ad litem program.
 - Decreasing revenue \$(1,200.00) and decreasing fund balance due to contract language change in the JABG grant resulting in an overestimate of revenue.
- **Animal Shelter: \$(34,500.00)** Reducing revenue and decreasing fund balance due to a reduced amount of revenue received from Friends of Lewis County Animal Shelter (FOLCAS). There will be no reduction in expenditures per the BOCC.
- **Economic Development: \$(18,000.00)** Reducing expenditures and increasing fund balance due to the removal of the expense for the Economic Development Council (EDC) Professional service. The County's contribution will now be paid out of the Distressed Counties Fund 130.
- **Transfers: \$42,632**
 - Increasing Current Expense transfer out to Flood Control Zone Fund 125 in the amount of \$5,000.00 to cover misc expenses.
 - Increasing Current Expense transfer out in the amount of \$7,632.00 to Public Health Fund 190 for the vacation and sick payout for a senior services employee.

- Increasing Current Expense transfer out in the amount of \$25,000.00 to the South Lewis County Airport Fund 407 for planning study at the Airport.
- Increasing Current Expense transfer out in the amount of \$5,000.00 to the Cowlitz River Basin Sub Zone Fund 126 for misc expenses

OTHER FUNDS: \$1,325,244

Supplemental Appropriations (increasing revenue, increasing expenditures) total: \$931,878.00

- **Social Services Fund 104:** Transfer of budget between line items due to a change from the State on BARS coding.
- **Social Services Fund 104: \$114,956.00**
- **\$1,340.00** Increasing revenue and expenditures for an increase in the 2009-2010 emergency and homeless prevention program contract.
- **\$15,000.00** Increasing revenue and expenditures for a contract with Lewis County Community Health Partnership. This is a two year contract 07/2009-06/2011; \$5,000.00 rollover from 2009 and \$10,000.00 in expected revenue for 2010.
- **\$98,616.00** Increasing revenue and expenditures for Home Prevention and the Rapid Re-Housing Contract (ARRA Funds). Budgeting for the 2010 portion of the 2010-11 HPRP contract.
- **Community Development Fund 121: \$65,000.00** Increasing revenue and expenditures for professional services for the South Lewis County sub-area plan development. Grant funding received in the amount of \$15,000.00 from the Department for Health and \$50,000.00 from Distressed County .09 funds.
- **Flood Control Zone Fund 125: \$5,000.00** Increasing transfer in and increasing expenditures for professional services.
- **Cowlitz River Basin Sub Zone Fund 126: \$5,000.00** Increasing transfer in and increasing expenditures for professional services
- **Gambling and Fraud Enforcement Fund 165: \$643,028.00** Increasing revenue and increasing transfer out to Current Expense Fund 001 for fraud prevention.
- **Public Health Fund 190: \$(25,106.00)**
- **\$5,225.00** Increasing revenue and expenditures for Local Capacity Development funds to be spent on KIPHS software support and updates.

- **\$(15,189.00)** Decreasing revenues and expenditures to correct how revenue is received in the Oral Health Program. Currently the revenue is received in Fund 190 but will now be received in Fund 104.
- **\$2,000.00** Increasing revenue and expenditures for an agreement with the West Region EMS & Trauma Care for Lewis County's Medical Reserve Corps Training. This will cover the speaker fees and recruitment activities.
- **\$14,089.00** Increasing revenues and expenditures for salary/benefits and vacation/sick payout. Salary and benefits for Senior Service employee will be reimbursed by Catholic Community Services (CCS); vacation and sick payout will be covered by a transfer in from Current Expense.
- **\$10,434.00** Increasing revenue and expenditures for additional funds received for breastfeeding activities and for the purchase of anthropetic equipment. Also for the installation of safety glass and phone system upgrade.
- **\$(51,665.00)** Decreasing revenue and expenditures due to loss of Foster Care/Passport Contract funding and reduction in nursing staff.
- **\$10,000.00** Increasing revenue and expenditures for the National Association of County and City Health Officials (NACCHO) to build the capacity of local Medicare Reserve Corps Unit.
- **Land Acquisition Fund 301: \$19,000 .00** Increasing revenue and expenditures for a grant received from Washington State Department of Agriculture for installation of security and performance lighting around the horse arena at the Southwest Washington Fairgrounds.
- **South County Airport Fund 407: \$25,000.00** increasing the Current Expense transfer in and increasing expenditures for planning study at the South County Airport.
- **Water/Sewer Fund 410: \$80,000** Use of fund balance and increase in expenditures for professional services.

Emergency appropriations (use of reserves to cover costs) total: \$393,366.00

- **Social Services Fund 104: \$12,000.00** Use of fund balance and increasing expenditures for a donation to AmeriCorps Program for a Teen Center Program Coordinator and two Packwood youth program coordinators.
- **Distressed Counties Fund 130: \$125,00.00**
 - **\$75,000.00** Use of fund balance and increasing expenditures for a Grant Agreement between Lewis County and LC Economic Development Council to accept funding in the amount of \$150,000.00 total for two years. \$75,000.00 will be budgeted for 2010 and \$75,000.00 for 2011. These

funds will be paid from Fund 130 Distressed Counties (.09) for LC Economic Development Administration and Marketing.

- **\$50,000.00** Use of fund balance and increasing inter-fund transfer to Fund 121 for the approval of the proposal and request from the Lewis County Community Development Planning Division for the use of Distressed Counties (.09) funds for the "South Lewis County Economic Development Strategy" project.
- **Public Health Fund 190: \$196,366.00** Increasing revenue and expenditures and fund balance for H1N1 revenue. Funds received will be used for salaries and benefits and emergency equipment.
- **Capital Facilities Plan Fund 310: 60,000.00**
 - **\$50,000.00** Use of fund balance and increasing expenditures to upgrade the control system for inmate movement and door control.
 - **\$10,000.00** Use of fund balance and increasing expenditures for lab ventilation at the Coroner/Evidence Building.

Commissioner Grose stated this budget amendment is not an increase in spending. It is transfers of money from one fund to another. This is the way we have to track the funds in order to know where money is going to and coming from. Some governmental agencies try to function without adequate controls and they do not know where the money is coming from or going to. So, it ends up causing them problems. This is the way to do the budget so we can effectively and efficiently handle the County's money. It is confusing at times, but we do understand that this is what needs to be done in order to handle the County's finances and to keep track of what is going on with the funds. The County handles millions of dollars, so it is important that we keep track of the funds.

Chairman Schulte asked if there were any questions. There were none. He closed the question and answer portion of the hearing and opened the hearing.

Ms Truman asked that her previous comments be adopted into the record.

Commissioner Grose stated these budget amendments are a way to track these funds. This makes it an effective and efficient way to handle the County's finances.

Chairman Schulte asked if there was anyone who would like to speak for or against Resolution No. 10-102. There was no one.

Commissioner Grose moved to approve Resolution No. 10-102. **Chairman Schulte** seconded the motion. Karri Muir, Clerk of the Board read the item into the record.

There being no further business, the Commissioners' public meeting adjourned at 10:53 a.m. on April 19, 2010. The next public meeting will be held Monday, April 26, 2010, at 10:00 a.m.

Please note that minutes from the Board of County Commissioners' meetings are not

verbatim. A recording of the meeting may be purchased at the Commissioners' office.

BOARD OF COUNTY COMMISSIONERS
LEWIS COUNTY, WASHINGTON

ATTEST:

P.W. Schulte, Chairman

Clerk of the Board
Lewis County Commissioners

Ron Averill, Commissioner

F. Lee Grose, Commissioner