

**RECORD OF THE PROCEEDINGS  
SKAGIT COUNTY BOARD OF COMMISSIONERS  
Monday, April 30, 2001**

9:00 a.m. – 9:30 a.m.	Work Session – County Administrator.
9:30 a.m. – 10:00 a.m.	Work Session – Commissioners’ Staff Meeting.
10:00 a.m. – 10:30 a.m.	County Financial Update.
10:30 a.m. – 11:00 a.m.	Work Session – Restoration of Funding to City Libraries.
11:00 a.m. – 11:30 a.m.	Consent Agenda and Miscellaneous Items.
11:30 a.m. – Noon	Discussion – Hazard Mitigation Grant Projects.
1:30 p.m. – 3:30 p.m.	Executive Session – Personnel, Litigation and Land Acquisition.

The Skagit County Board of Commissioners met in regular session on Monday, April 30, 2001, with Commissioners Ted W. Anderson, Don Munks, and Kenneth A. Dahlstedt present.

**COUNTY FINANCIAL UPDATE.**

Alicia Huschka, Finance Director, first reported on the need to adjust financial transactions for the year 2000. She stated that it is necessary to transfer funds to the land acquisition fund and the facility improvements fund. She reviewed the details of the fund balances for year-end, noting that they are significantly higher than anticipated. Ms. Huschka reviewed the particulars of the increase in revenues for various departments. Further, she reported that expenditures were down almost \$500,000 from what was budgeted.

A discussion ensued on the need to transfer money to the land acquisition fund for future facility improvements while maintaining a healthy general fund balance. Ms. Huschka reported that the only way money can be transferred into this fund is through excess revenues.

Chairman Anderson concurred that it would be wise to make a sizable transfer to the fund, so as to take advantage of opportunities to purchase land or make improvements.

Ms. Huschka next reviewed the policy in previous years to refund back to departments 50% of money saved when expenditures have been less than anticipated. With the exception of 2000 and due to the loss of MVET funds, these monies have been traditionally refunded back to departments. She asked the Board if this is a tradition the Board would like to continue.

Chairman Anderson responded that the logic behind this tradition was to eliminate the “spend it or lose it” mentality. He reviewed that departments have been held to a tight 3% budget increase, so the refund idea was an effective management tool.

Commissioners Munks and Dahlstedt concurred that refunding the money to departments would be appropriate.

Alicia reviewed the detailed list of refunds that would be made in this regard.

A discussion ensued on the need to build up the reserve in the land acquisition fund for future purchases. Ms. Huschka explained that one project that the funds could be used for is the improvement to the

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courtyard parking area, which is estimated to cost \$300,000. She stated that \$100,000 had been set aside in Real Estate Excise Tax for this project.

Ms. Huschka reported that the transfer of the monies from the general fund to the land acquisition fund is a formal process that requires a public hearing and formal approval. The Board indicated that she should proceed with the paperwork necessary to initiate this process.

Chris Stamey, Budget/Finance Department, distributed multi-year financial reports for the Board's perusal.

Ms. Huschka next discussed the Community Economic Revitalization Board Loan/Grant for the Fredonia Business Park, with the money designated for infrastructure projects. She stated that the County sponsored a \$1,000,000 request for these funds, with the loan being paid back in 20 years. She stated that she is not quite ready to present a Resolution to the Board as there is much paperwork that needs to be completed. She reported that she is working with Public Works to make sure that strong enough language is included as to the payments that Jack Wallace will be required to make to the County.

Chairman Anderson clarified that the County sponsored Mr. Wallace on the grant, but that he is responsible for repayment of the loan. Ms. Huschka stated that the loan becomes a debt of Skagit County, so the paperwork needs to be carefully scrutinized so that Mr. Wallace's resources would be look to first for repayment.

A discussion ensued on the possibility of receiving MVET backfill monies, and the varying amounts that are being considered in the Legislature for the 2002 budget.

Ms. Huschka advised that there is a proposal in the Senate to reduce pension rates effective July 1, 2001. She stated that significant decreases are proposed and could impact the County's 2002 budget, by realizing a savings of over \$400,000. She stated that employees would also realize this decrease, and the savings and investment of the fund have shown marked improvement.

Ms. Huschka next reported on the Economic Development Program, stating that \$8.5 million has been awarded. In this regard, she discussed the possibility of arbitrage wherein monies would need to be paid to the IRS because the projects have not spent their award within a two-year time period. She reviewed the exceptions and limitations to arbitrage, reporting that arbitrage is very common because the funding is multi-jurisdictional. She stressed the need to spend the money as quickly as possible.

Chairman Anderson suggested adding parameters to the required components of the award to reduce the affects of arbitrage.

Ms. Huschka confirmed that the Economic Development Committee has expressed interest in fine-tuning the criteria to set time limits for spending the money.

Ms. Huschka next advised the Board that the State Auditor's Entrance Conference was held last week, and that Commissioner Dahlstedt attended. The Auditors shared comments on various things that they would be looking at in this year's audit. She stated that the State Auditor would be issuing a Management Letter listing items of concern. If these items are not addressed, they may become Findings. Ms. Huschka indicated that their concerns consist of documentation and authorization items, looking for internal control processes and procedures.

Ms. Huschka discussed the possibility of receiving money from the State to help the County recover the costs of recent aggravated murder cases. The County had submitted a bill for reimbursement of \$232,689. The proposed Senate Budget has included \$102,000 for reimbursement to Skagit County.

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**CONSENT AGENDA.**

Commissioner Munks moved to approve the Consent Agenda for Monday, April 30, 2001, items 1-12. Commissioner Dahlstedt seconded the motion, which passed unanimously.

**ADMINISTRATIVE SERVICES:**

1. Contract Addendum with Larry Halvorson to continue working on labor negotiations for the IBU and AFSCME through November, 2002. He will be paid \$150 per hour spent in preparing for providing advice regarding and participating in labor negotiations. **(Contract No. 04721)**

**COMMISSIONERS' OFFICE:**

2. Record of the Proceedings for Monday, April 23, 2001.
3. Record of the Proceedings for Tuesday, April 24, 2001.
4. Memorandum of Agreement with the Lincoln Theater Center Foundation to continue to provide entertainment and to show international and classical films to attract a wide variety of audiences from the surrounding five counties. The Agreement term is calendar years 2001 and 2002, and the County will provide \$4,000 in funding for 2001 and \$3,000 in funding for 2002.

**INFORMATION SERVICES:**

5. Addendum #3 to Personal Services Agreement with MicroAge Information Services to modify Supplemental Agreement No. 2 to state the rate for Level 3 work performed by MicroAge employees that are expected to exceed 1,500 hours of work at Skagit County within a calendar year shall be increased to \$32 per hour. **(Contract No. 2908)**

**PUBLIC DEFENDER:**

6. Addendum to Rob Jones' contract to appear at mental health and involuntary commitment hearings. The changes to the agreement are that Mr. Jones shall be reimbursed mileage for travel specifically related to the agreement at the rate of \$0.345 per mile. **(Contract No. 04209)**

**PUBLIC WORKS DEPARTMENT:**

7. Supplement to Vendor Services Agreement with MotorTrucks, Inc. to allow payment for additional unanticipated repairs to the spare ferry main engine. **(Contract No. 05175)**
8. Supplementary Agreement NO. 2 to the Local Agency Standard Consultant Agreement with Pertee Engineering, Inc. for the Morris Street Improvement Project. The purpose of the supplement is to clarify contract language in Section XX, Addendum re: Provisional Rates for the Auditor's Office. This supplement does not reflect any change to the maximum amount payable or the project completion date. **(Contract No. 05149)**

**SHERIFF'S OFFICE:**

9. Vendor Services Agreement with Glow Cleaners to provide laundering/dry cleaning of employees' uniforms. County will compensate Contractor \$1.95 for trousers, shirts and blouses, and \$1.25 for ties, \$4.45 for coveralls, but not to exceed a total of \$35 per month per employee. The contract will commence on March 1, 2001 and continue until either party terminates by giving 30 days notice. **(Contract No. 05287)**

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### YOUTH & FAMILY SERVICES:

10. Personal Services Agreement with Skagit Recovery Services to provide youth evaluation, treatment, consultation and monitoring for juveniles and/or their families, referred by the County and excepted for treatment by the Contractor. Compensation listed under Exhibit "B" is for a variety of rates, depending upon which services are provided. The term of the agreement shall commence on November 1, 200 and continue until December 31, 2002. **(Contract No. 05288)**
11. ESD Contract for the purpose of providing educational instruction to juveniles within the Skagit County Detention Center for the period September 1, 2001 to August 31, 2002. **(Contract No. 05289)**
12. Contract Addendum with Dawn Duncan-Lewis, M.S. The Scope of Work has been terminated and replaced by Exhibit "A." The Contractor will provide specialized child, adolescent, adult and family assessment, evaluation and treatment (group and/or individual), consultation, monitoring with written reports as required, referred by the County and accepted fro services by Contractor. As part of treatment, the Contractor will also provide intensive in-home therapy to clients referred by ARIS Intervention Specialists. The contract is effective April 1, 2001 until terminated. Compensation ranges from \$20 to \$80 per hour, depending upon the service provided. **(Contract No. 04985)**

### MISCELLANEOUS.

1. Vouchers audited and certified by the auditing officer as required by R.C.W. 42.24.080, and those expense reimbursement claims certified as required by R.C.W. 42.24.090, have been recorded on a listing, which has been made available to the Board.

As of this date, April 30, 2001, the Board, by a majority vote, did approve for payment those vouchers included in the above-mentioned list and further described as follows:

Warrants numbered 95192 through 95467 from Clearing Fund 696 in the total dollar amount of \$772,579.61 (Transmittal No. C-28-01); and

Warrants numbered 95468 through 95687 from Clearing Fund 696 in the total dollar amount of \$468,872.63 (Transmittal No. C-29-01).

### DISCUSSION – HAZARD MITIGATION GRANT PROJECTS.

Mark Watkinson, Emergency Management, formally presented the Board with proposals for submission to FEMA for potential utilization of \$41,000,000 for projects as a result of the February earthquake. He stated that he was unsure how much money would be available locally. He advised that he had worked with Public Works and Planning to determine which projects would be appropriate for submission. He stated that these are competitive grants and that the County would be competing with other jurisdictions.

Chal Martin, Public Works Director, reviewed the particulars of the three projects to be submitted. He stated that there are two bridge projects and one property buy-out.

A discussion ensued on the property purchase, and the resultant effects on the area.

The Board indicated their approval for submitting the Letters of Intent in this regard.

**ADJOURNMENT.**

Chairman Anderson made a motion to adjourn the proceedings. Commissioner Munks seconded the motion and it passed unanimously.

**BOARD OF COMMISSIONERS**  
**SKAGIT COUNTY, WASHINGTON**

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Ted W. Anderson, Chairman

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Kenneth A. Dahlstedt, Commissioner

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Don Munks, Commissioner

ATTEST:

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Patti J. Chambers, Clerk of the Board  
Skagit County Board of Commissioners