



BOARD of CLALLAM COUNTY COMMISSIONERS

MINUTES for the week of February 13 – 17, 2017

1C
2/21

WORK SESSION – 9 a.m.

The work session convened at 9 a.m., Monday, February 13. Present were Commissioners Ozias, Johnson and Peach, and Administrator Jones.

Items of discussion per the agenda published February 9 were:

- Calendar/Correspondence
- Amendment 4 to agreement with Correctional Healthcare Companies, LLC for inmate health care services to increase the compensation amount and extend the contact period through the year 2017
- Notice of call for hearing on the proposed sale of surplus property Sheriff's Office three Glock 22 .40 S&W pistols
- Resolution creating a new fund for Vessel Registration fees titled 11004.811 VRF Boating Program
- Request for proposals for engineering design services for the fish passage facility on McDonald Creek
- Proposed supplemental appropriations to be considered on February 28
- Proposed debatable emergencies to be considered on February 28
- Proposed budget reductions to be considered on February 28
- Request to sign letter to approve the Assembly Permit Application for Olympic Relay Adventure
- Resolution authorizing expenditure from the Hotel/Motel Tax Fund for the approved 2017 Lodging Tax Funding applications
- Review the "How Did We Do" reports comparing each month's actual performance against the 2017 Annual Budget

Board recessed at 10:21 a.m. and reconvened at 10:32 a.m.

JOINT MEETING – PORT OF PORT ANGELES

- Resolutions honoring Rod Fleck and Commissioner Bill Peach
- Composite Recycling Technology Center quarterly report
- Small Business Development Center quarterly report
- Economic Development Council quarterly report

Meeting concluded at 12:56 p.m. and continued to a special Transit meeting convening at 1:05 p.m. Present were Commissioners Ozias and Peach. Minutes are retained by Transit. Meeting concluded at 3:03 p.m. and continued to 9:30 a.m., Tuesday, February 14.

CONTINUED WORK SESSION

The work session convened at 9:30 a.m., Tuesday, February 14. Present were Commissioners Ozias, Johnson and Peach, and Administrator Jones.

- County strategic planning discussion

Meeting adjourned at 10 a.m.

REGULAR MEETING OF THE BOARD OF CLALLAM COUNTY COMMISSIONERS

Chair Ozias called the meeting to order at 10:01 a.m., Tuesday, February 14. Also present were Commissioners Johnson and Peach, and Administrator Jones.

BOARD of CLALLAM COUNTY COMMISSIONERS
MINUTES for the week of February 13 – 17, 2017
Page 2

REQUEST FOR MODIFICATIONS/APPROVAL OF AGENDA

Add the following:

3b Resolution appointing Trish Holden as the Public Records Officer

ACTION TAKEN: CBPm to adopt the agenda as modified, CRJs, mc

PUBLIC COMMENT

- Kenneth Reandeau, 181 West Lyre River Road, Port Angeles, commented on item 4b the Opportunity Fund disbursement to the Boys and Girls club noting it is a worthy cause and thanked the Board for having it on the agenda. He feels this is an excellent place to give the younger generation a good start.
- Stan Creasey, 759 Finn Hall Road, Port Angeles, commented on item 4b pertaining to corrections of spreadsheet errors in the 2017 budget in the Sheriff Jail and Operations Department. He notes the errors totaling \$494,157 is a large number and feels it's a really big problem. He points out with this error correction we are at a deficit of about \$2.8 million. He questioned what different decisions might the Board have made in the 2017 budget process if the correct numbers and the true magnitude of the financial problem had been known.
(see attached)

CONSENT AGENDA

1a Approval of vouchers for the week of February 6

1b Approval of minutes for the week of February 6

ACTION TAKEN: CRJm to adopt the consent agenda, CBPs, mc

REPORTS AND PRESENTATIONS

- CBP reported he attended a meeting with Jefferson County Commissioner Kathleen Kler, and Clallam and Jefferson County residents at the Hoh Tribe Center regarding emergency management. The Board of Natural Resources held a meeting February 7 in Olympia. He explained there was an issue tabled regarding the singletary timber sale that was delayed numerous times, and then approved in January. There are some concerns that the sale should be pulled. He noted the final vote from the Board was 2 in favor and 4 against pulling the sale. He commented there will be a meeting on March 3 with the Department of Natural Resources and members of the Trust Lands Advisory Committee regarding cruising. He followed up noting he has a meeting scheduled March 10 with the National Park Services (NPS), Superintendent Sarah Creachbaum, regarding the records for managing trees snags along Lake Crescent. He indicates his position is to let the Board take a look at what the NPS is doing and ask if there is anything the County can do to assist with additional resources.
- CRJ reported he attended a Feiro Marine Life Center gala. He expressed the most important part is they are still handing out scholarships to kids for education. He announced a young lady from Forks was the recipient of a \$2,000 scholarship. He noted he was able to meet with the Bed and Breakfast Association regarding concerns of pending litigation. He pointed out the Association stated they are in need of more bed and breakfasts in the area. He commented that he was able to tour the Sequim YMCA. The facility is a large producer for jobs for young people and currently 4800 patrons are using the facility.
- Selinda Barkhuis, Treasurer, read the attached statement into the record. She explained due to health reasons resulting from work related stress she has identified a need to transition out of her position. She noted she is not quite ready to give notice, but instead giving a heads up so the Board can identify and vet a successor Treasurer.
- CMO reports he met with a representative from Washington Coast Works. He points out they have held a sustainable small business competition in Forks and along the Coast. He explained folks can submit business plans to compete to be awarded funds to help toward their business plan. He notes this year the competition will expand to allow businesses in Port Angeles and Sequim to

BOARD of CLALLAM COUNTY COMMISSIONERS
MINUTES for the week of February 13 – 17, 2017
Page 3

compete as well. He recognized the Public Works Department Road Crew for their extra work this past month with maintaining the roads during the winter weather. He read into the record the attached letter submitted by Fire District 4 in Joyce thanking the Road Crew for their assistance during the snow storm. He followed up recognizing Administrator Jones for his 10 years of service to Clallam County. He commented we have seen consistent leadership and focus on financials. He notes Jones is a dedicated employee often the first one arriving to work and the last one to leave.

CONTRACTS AND AGREEMENTS

2a Contract amendment 1 with State of Washington Department of Ecology for the final engineering for the Lower Dungeness River Setback Levee and McDonald Creek Feasibility/Implementation project

ACTION TAKEN: CBPm to approve, CRJs, mc

ADMINISTRATION

3a Resolution re-establishing and modifying revolving, petty cash, and change funds for the Health and Human Services Department

ACTION TAKEN: CRJm to adopt, CBPs, mc

3b Resolution appointing Trish Holden as the Public Records Officer

ACTION TAKEN: CBPm to adopt, CRJs, mc

BUDGET

4a Notice that the following Supplemental Appropriations will be adopted by Resolution on February 28:

Superior Court – A check was written to Drug Court by a citizen as a donation. Requesting to apply this to the Drug Court supply line/\$150

Sheriff – VRF Boating Program – Due to the Washington State requirement to have Vessel Registration Fees (VRF) held in a separate fund, revenue from the Boating Safety fund 11003 is being reduced in order to increase revenue in the new VRF Boating Program fund 11004/\$26,000

Health and Human Services Administration

- Supplemental funding is being received from the Department of Health to provide Opioid prescription drug overdose support in Clallam County. Travel expenses are for opioid/drug overdose regional trainings and meetings/\$62,000
- Supplemental funding is being received to assist with the Community Health Assessment process/\$14,964

ACTION TAKEN: CRJm to issue notice, CBPs, mc

4b Resolution calling for a hearing to be held at 10:30 a.m., February 28, for consideration of the following Debatable Emergencies:

Health and Human Services – Affordable Housing – Carry over of unspent contract services funding from 2016 into 2017/\$50,000

Opportunity Fund – Peninsula Housing Authority funding for construction of a Boys & Girls Club/\$901,200

Prosecuting Attorney Operations – Monies appropriated will be used to pay professional services rendered in connection with the case State v Tommy Ross, Jr.; Clallam County Superior Court Cause No. 5063/\$80,000

Sheriff – Jail – Correcting an Excel Spreadsheet calculation error made on the Schedule A – Salary Worksheet during the budget process/\$163,083

Sheriff – Operations – Correcting an Excel Spreadsheet calculation error made on the Schedule A – Salary Worksheet during the budget process/\$331,074

BOARD of CLALLAM COUNTY COMMISSIONERS
MINUTES for the week of February 13 – 17, 2017
Page 4

Sheriff – Jail Medical – To fund the 2.3% increase in FY2017 as per Amendment 4 of the Clallam County Jail Inmate Medical Services Agreement with Correctional Healthcare Companies 816-14-01/\$6,472

Sheriff – VRF Boating Program

- Washington State requires that funds from Vessel Registration Fees (VRF) be held in a separate fund. Vessel Registration Fees in the amount of \$42,996 are being transferred from Boating Safety 11003.811 to a new fund, VRF Boating Program 11004.811 (1of2)/\$42,996
- Washington State requires that funds from Vessel Registration Fees (VRF) be held in a separate fund. Vessel Registration Fees in the amount of \$42,996 are being transferred from Boating Safety 11003.811 to a new fund, VRF Boating Program 11004.811 (2of2)/\$42,996

ACTION TAKEN: CBPm to adopt, CRJs, mc

- 4c Notice that the following Budget Reductions will be adopted by Resolution on February 28:
Opportunity Fund – During the budget process, SARC notified the county that they would be unable to submit any additional invoices for payment before the end of the year. For the reason the 2017 SARC budget included all the remaining funds. As it turns out, they did submit additional invoices in December and payment was made in the amount of \$557,267 leaving available funds for use in 2017 in the amount of \$42,493/(\$557,267)

Sheriff – Boating Safety

- Due to the Washington State requirement to have Vessel Registration Fees (VRF) held in a separate fund, expenditures from the Boating Safety fund 11003 are being reduced in order to increase expenditures in the new VRF Boating Program fund 11004/(\$34,401)
- Due to the Washington State requirement to have Vessel Registration Fees (VRF) held in a separate fund, revenue from the Boating Safety fund 11003 is being reduced in order to increase revenue in the new VRF Boating Program fund/(\$26,000)

ACTION TAKEN: CBPm to issue notice, CMOs, mc, CRJ abstains

PUBLIC COMMENT

- Kenneth Reandeau, 181 Lyre River Road, Port Angeles, commented he finds the accounting issue with the Sheriff's Department troubling. He points out it's concerning to see how long it had gone on before it was identified. He followed up with a comment on climate change prevention vs adaptation. He notes he has commented on prevention to limiting our liability on the adaptation side. He questioned the County on alternative fuel for vehicles. He has concerns of what he may see in his lifetime in Port Angeles.

Board recessed at 10:36 a.m. and reconvened for an executive session regarding a lawsuit captioned "Judy Lee v. Clallam County, Clallam County Board of Appeals."

EXECUTIVE SESSION

The executive session convened at 11:32 a.m., Tuesday, February 14, to discuss with the Board of County Commissioners a lawsuit captioned "Judy Lee v. Clallam County, Clallam County Board of Appeals" is filed in Kitsap County Superior Court under 16-2-02354-3. It is a challenge by a land use applicant to the December 15, 2016 decision of the County Board of Appeals regarding the proper building code to apply to the Lee application. The lawsuit is a Petition under the Land Use Petition Act, Ch. 36.70C RCW. In the alternative, the lawsuit alleges two other causes of action, using Ch. 7.16 RCW and Ch. 7.24 RCW to assert the December 15, 2016 decision is erroneous and should be overturned. Present were Commissioners Ozias, Johnson, and Peach; Administrator Jones, Director of the Department of Community Development Winborn, Human Resources Director Sill, Civil Investigator Reyes, Prosecuting Attorney Nichols and Chief Civil Deputy Prosecuting Attorney Alvarez.

ACTION TAKEN: CBPm to recess to executive session for 30 minutes, CRJs, mc

Board convened in open session at 12:03 p.m. and with no objection CMO extended the executive session until 12:30 p.m.

**BOARD of CLALLAM COUNTY COMMISSIONERS
MINUTES for the week of February 13 – 17, 2017
Page 5**

Board convened in open session at 12:30 p.m. and with no objection CMO extended the executive session until 12:40 p.m.

Board convened in open session at 12:40 p.m. and with no objection CMO extended the executive session until 12:45 p.m.

Board convened in open session at 12:46 p.m. and CMO notes no action has been taken.

Meeting concluded at 12:46 p.m. and continued to 9 a.m., Tuesday, February 21.

PASSED AND ADOPTED this twenty-first day of February 2017

BOARD OF CLALLAM COUNTY COMMISSIONERS



Mark Ozias, Chair



Randy Johnson



Bill Peach

ATTEST:



Loni Gores, Clerk of the Board

KEY TO ABBREVIATIONS:

AJJ Administrator Jim Jones, Jr.
CMO Commissioner Mark Ozias
CRJ Commissioner Randy Johnson
CBP Commissioner Bill Peach

m moved
mc motion carried
s seconded

Stanton Creasey
Auditor's Chief Accountant
759 Finn Hall Road
Port Angeles

My comments apply to the two debatable emergencies in item 4b of today's agenda that pertain to corrections of spreadsheet errors in the 2017 budget in the Sheriff Jail and Operations departments.

These two errors total \$494,157. Call it half a million in round numbers. This is a really big number. This is a first class, full grown, A-Number One problem.

At the moment the general fund budget for 2017 is in deficit by \$2.3 million in round numbers and with the addition of this error correction we are at a deficit of about \$2.8 million. Not only is the deficit for 2017 much larger than was previously calculated, but the implied problem for 2018 and every following year is bigger by the same amount.

Let us not forget that the budget deficit we face in 2017 is in a year with extremely good revenue projections. In another year with weak or even normal revenue, our financial problems could be much larger.

My questions for the board to ponder are as follows:

What different decisions might the board have made in the 2017 budget process in 2016 if the correct numbers and the true magnitude of the financial problem had been known?

Once the origin of the calculation error that generated this half million misstatement has been clearly determined and properly attributed, will the responsible heads roll?

Errors happen, mistakes are made, and we are all human, but at some point the County's tolerance for sloppy work must end.

Submitted by Treasurer Selinda Barkhuis

1. Due to health reasons resulting from work related stress, I have identified a need to transition out of this position. I find myself physically and mentally no longer able to function as Clallam County's public ATM, where powerful people get to push my buttons until I cry uncle and I spit out the money regardless of my opinion as to whether such disbursements are "according to law," consistent with my oath of office and fiduciary responsibilities.
2. I am not quite ready to give notice. Instead I am giving you a heads up on what's going on in my head so that you can start considering how to identify and vet a successor Treasurer willing to assume signature authority and fiduciary responsibility over \$100 million in Clallam County public funds, subject to long lists of mandatory and essential duties, personal liabilities, financial predators, and political sociopaths.
3. I want to take this opportunity to make it clear that I do not intend to involve myself in educating and vetting potential candidates, that interested parties should instead contact the Board of County Commissioners directly as it is entirely your responsibility to identify and appoint a successor.
4. What I will henceforth focus my attention on, beyond taking care of my health and working with my staff, is preparing a settling business report that will account for the taxpayers' public funds and outline the various challenges facing the Office of Clallam County Treasurer, to be presented to the public, the Board of County Commissioners, and my successor when I am ready to leave.
5. I have no next step to offer the Board of County Commissioners at this point.



Fire District 4 Joyce Clallam County

P.O. Box 106
Joyce, Washington 98343
360-928-3132
Fax 360-928-9604
Email: station1@clallamfire4.org

Commissioners:
Ben Pacheco, Chair
Donna Kay Buck, Vice Chair
Mary Elizabeth Bower, CMC, Secretary
Chris Christie
Sam Nugent
Alexander Baker, Fire Chief

January 25, 2017

RECEIVED
CLALLAM CO. COMMISSIONERS
FEB 07 2017
1...2...3...A... Roads

Clallam County Public Works Department
223 East 4th Street, Suite 6
Port Angeles, WA 98362

To: Ross Tyler - County Roadway Engineer

Dear Mr. Tyler,

Please accept our thanks and gratitude for your crew's assistance during the recent ice and snowstorms in Joyce. The clearing and sanding of Clallam County Fire Protection District No. 4 Station 41 parking and staging area was a tremendous benefit to our community in providing safe and easy access for our emergency equipment and personnel.

We applaud your efforts to help keep our station's lot easily accessible and our community has benefited by Clallam County Roadway's courtesy. The action of your crew helped ensure the District's ability to respond quickly to emergency calls.

The Board of Commissioners would like to commend the County Roadway Division for these actions. Please let your crew know that they are appreciated.

Sincerely,

Ben Pacheco
Chairman
Clallam County Fire Protection District No. 4
Board of Commissioners

pc: Clallam County Public Works Department Adam Roening
CCFPD No. 4 Board of Commissioners

bc: Clallam County Board of Commissioners