

**Minutes**  
**County Road Administration Board**  
**February 1-2, 2018**  
**CRAB Office – Olympia, Washington**

**Members Present:** Brian Stacy, PE, Pierce County Engineer, Chair  
Rob Coffman, Lincoln County Commissioner, Vice-Chair  
Andrew Woods, PE, Columbia County Engineer, Second Vice-Chair  
Al French, Spokane County Commissioner  
Lisa Janicki, Skagit County Commissioner  
Bob Koch, Franklin County Commissioner  
Kathy Lambert, King County Council Member  
Helen Price Johnson, Island County Commissioner  
Mark Storey, PE, Whitman County Engineer

**Staff Present:** John Koster, Executive Director  
Walt Olsen, PE, Deputy Director  
Jeff Monsen, PE, Intergovernmental Policy Manager  
Randy Hart, PE, Grant Programs Manager  
Derek Pohle, PE, Compliance & Data Analysis Manager  
Eric Hagenlock, IT Manager  
Karen Pendleton, Executive Assistant  
Rhonda Mayner, Secretary  
\*\*Jim Ayres, Design Systems Manager  
\*\*Jim Oyler, Systems Support Specialist  
\*\*Mike Clark, Road Systems Inventory Manager  
\*\*Kathy O'Shea, Database Development Specialist

**Guests:** \*Chad Johnson, DES, Budget Analyst  
\*Paul Randall-Grutter, Skagit County Engineer  
\*Dan Berentson, Skagit County Public Works Director  
\*Rachel Rowe, Skagit County, Ferry Division Manager  
\*Bob Moorhead, former CRAB staff member  
\*\*Gary Rowe, WSACE Managing Director  
\*\*Matt Balder, Thurston County  
\*\*Theresa Parsons, PE, Thurston County  
\*\*Randy Evans, Thurston County

*\*Present February 1, 2018 only*

*\*\*Present February 2, 2018 only*

**CALL TO ORDER**

Chair Stacy called the meeting to order at 1:00 p.m.

He requested that cell phones be silenced and that guests please sign in. He noted that although three Board members have not yet arrived, there is a quorum present, and any scheduled action items may proceed to a vote.

## **CHAIR'S REPORT**

### **Approve February 1-2, 2018 Agenda**

Vice-Chair Coffman moved and Commissioner Koch seconded to approve the agenda as presented. **Motion carried unanimously.**

### **Approve Minutes of October 26-27, 2017 CRABoard Meeting**

Commissioner Janicki moved and Vice-Chair Coffman seconded to approve the minutes of the October 26-27, 2017 CRABoard Meeting. **Motion carried unanimously.**

### **Approve Minutes of November 15, 2017 Special CRABoard Meeting**

Mr. Storey moved and Second Vice-Chair Woods seconded to approve the minutes of the November 15, 2017 Special CRABoard Meeting. **Motion carried unanimously.**

## **EXECUTIVE DIRECTOR'S REPORT**

### **Staff Updates**

Mr. Koster reported that Mr. Hagenlock was promoted to the position of Information Services Division Manager, effective January 16, 2018. The agency organizational chart has been updated.

### **2017 Annual Report**

Mr. Koster noted that the report has been posted on the CRAB website, e-mailed to all county contacts, and mailed to the legislators and staff on the transportation committees.

### **Current Budget Status**

Mr. Koster reported that CRAB's supplemental budget request was included in the Governor's budget bill. He introduced Mr. Johnson, who reviewed CRAB's current budget status.

Mr. Johnson noted that in this first quarter of the biennium all accounts look strong. The negative variances in salary and benefits are due to the Legislature passing the transportation budget prior to the general fund budget last year. The cost of living raises that staff received on July 1, 2017 were not included in the transportation budget. CRAB's current budget will be increased by those amounts in this year's supplemental budget, resolving the negative variances.

He cautioned that any grant money coming in for the GIS-Mo project will require legislative approval before it can be spent.

He noted that CRAB's supplemental budget request to cover Mr. Monsen's retirement buyout, succession recruitment for Mr. Monsen, and the Human Resources services increase were all included in the Governor's budget bill.

## **Activities**

Mr. Koster reported on his activities since the October 2017 CRABoard Meeting.

### **INTERGOVERNMENTAL POLICY MANAGER REPORT**

#### **County Ferry Capital Improvement Program**

Mr. Mosen reported that Skagit County has submitted an application for funding of a new ferry. He noted that the county has narrowed its initial proposal from five options to two all-electric ferry options given in their application.

The next step in the process is the formation of a technical review committee, which will review and evaluate the application. The committee is required to submit a written report, including its recommendations to the Board, no less than 30 days before the April 2018 CRABoard Meeting. At that meeting, the Board will review the report and decide whether to recommend financing the project to the Legislature.

Mr. Randall-Grutter noted that although the initial capital costs for an all-electric vessel are higher due to the need to construct shore-side infrastructure for charging capabilities, the ongoing annual operating costs are projected to be less than those for a diesel vessel, particularly if fuel costs continue to rise. Ms. Rowe noted that there are some possibilities for reducing the \$8 million projected for capital costs. Mr. Berentson noted that only \$300,000 is necessary to extend electrical power transmission to the dock.

Mr. Koster noted that it would be helpful for the review committee to have updated financial plans in order to assist in their deliberation, although he acknowledged the short time-line involved.

Mr. Olsen noted that the chart showing the pro-forma payout schedule through 2042 assumes that this application is approved for the maximum of \$500,000 per year in funding; and that Whatcom County submits a project that is also approved for \$500,000 per year in the next funding cycle. Staff also prepared a chart showing the potential loss of Motor Vehicle Fuel Tax funding to each county should Skagit County's request be approved.

## **Activities**

Mr. Mosen reported on his activities since the October 2017 CRABoard meeting.

He noted that ten participants from nine counties attended the County Engineers' Training held at the CRAB offices December 5-7, 2017. There are five participants from five counties already registered for the May 2018 session. There will be a two-day training held in Snohomish County, probably in early March.

### **RURAL ARTERIAL PROGRAM**

#### **Program Status Report**

Mr. Hart reviewed the Rural Arterial Program status report. 1,052 of 1,171 projects have

been completed. Anticipated revenue to the end of the 2017-19 biennium is \$607,022,148. RAP expenditures to date total \$556,301,323. RAP obligations remaining to active projects through the 2017-19 biennium total \$124,724,698. The RATA fund balance as of December 31 was just under \$16.4 million.

He noted that counties are currently submitting their preliminary project prospectuses for the upcoming funding cycle. The approval of the legislature of \$4,844,000 in Connecting Washington funds has raised the estimated statewide RATA revenue to \$45,000,000.

### **Regional Meetings Update**

Mr. Hart reported that meetings were held in November and December in all five regions. Items discussed included rating criteria, RAP and CAPP revenue and project funding forecast for the 2019-21 biennium, the Federal Lands Access Program, RAP Online prospectus submittals, and linking the RAP reimbursement schedule to certified project progress.

### **Resolution 2018-001 - Apportion RATA Funds to Regions**

Mr. Hart presented Resolution 2018-001 - Apportion RATA Funds to Regions, which authorizes the accrued amount of \$5,538,280 deposited to the RATA for November 2017 through January 2018 be apportioned to the regions by the established 2017-2019 biennium regional percentages after setting aside \$128,978 for administration.

Following questions and discussion, Second Vice-Chair Woods moved and Commissioner Koch seconded to approve Resolution 2018-001 - Apportion RATA Funds to Regions. **Motion carried unanimously.**

### **Project Request Actions Taken by Staff**

Mr. Hart reported that Chelan County has requested a scope change in types and numbers of roadside hazard mitigations from what was claimed in the final prospectus for their Eagle Creek Road project. Because the county found it had less right-of-way available on the project than originally thought, it could remove only three of the original 20 roadside obstructions, and nine of the original 10 mailboxes. Also, an additional culvert end treatment was added to the work. There was no change in total score and the project remained focused on resurfacing.

Staff approved this change. The contract amendment was signed by the county on January 16, 2018 and by Mr. Koster on January 23, 2018.

Mr. Hart noted that Jefferson County is in the process of submitting a request for emergency funding of their Upper Hoh River Road, which washed out in November 2017. This is adjacent to a previous slide funded by the CRABoard in July 2006. This request may be offered by the county for consideration at the April CRABoard meeting.

He also reported that Spokane County is considering using materials that could be excavated from its Bigelow Gulch Road - RAP project 3298-01, on Bigelow Gulch Road

4 - RAP project 3207-01, and asked CRAB staff if this would be acceptable. Staff noted it is not in CRAB's purview to approve the construction method, but requested the county submit the plan in writing. Staff could not assure the county that payment for extracted materials from 3298-01 could be reimbursed until 2021, in keeping with that project's construction reimbursement schedule. No further communication has occurred. This would not require official action from CRAB, but documentation would be obtained for project files.

Commissioner French joined the meeting at 2:10 pm.

Council Member Lambert joined the meeting at 2:17 pm.

### **Whitman County Project Request**

Mr. Hart reported that Whitman County has requested an additional construction time extension for their Almota Road 4 project. The project faces lapsing on March 16, 2018, after already receiving a two-year construction time extension. Over the last two years, the county has encountered extensive right of way negotiations, complications in re-design and increased costs for the project.

He noted that the project was submitted for funding on September 1, 2008, requesting \$2,500,000 in RATA funding. The CRABoard allocated an initial \$866,000 to the project in 2010 and full funding in 2013. The project proposes to widen Almota Road from 24 feet to 28 feet, correct horizontal and vertical alignment deficiencies, mitigate roadside hazards, and resurface. To date, the county has incurred \$184,000 in project costs and received \$165,380.93 in RATA reimbursements.

The original construction lapsing date for Almota Road 4 was March 10, 2016. In 2015 the county requested the project terminus be revised from 8.39 to 7.96, in order to improve the vertical curve at that location, and also requested a time extension of two years to accomplish the additional associated design. These requests were granted, setting the new lapsing date to March 16, 2018.

With the additional design required for flattening the vertical curve, the county has found right of way acquisition extremely difficult. The property owners are requesting a great deal of fill on their properties to be able to continue farming the land adjacent to the road. This has required the design of many of the taller steep slopes to be graded to 3:1 or flatter. The complications to the overall grading plan, including transitions and acquisition zones, and associated costs, have increased greatly. Whitman County Commissioners have stated they have no desire to follow the path of Eminent Domain at this time.

The county has recently gained verbal approval of the proposed design from the property owners. The county is now pursuing the final design and right-of-way plans and believes it will be in a position to advertise and award the project in summer or early fall of 2018, and therefore requests the lapsing date be extended to December 31, 2018.

The improvements to Almota Road Phase 4 will be constructed to match Phases 1 and 2, and the future Phase 3. Whitman County Public Works and the Board of County Commissioners find that the project is still necessary, is in the best interest of the citizens of the county and fulfills continued improvement on this important local and regional transportation route.

The CRABoard must decide either to withdraw the Almota Road 4 project from RATA funding if construction does not commence by March 16, 2018, requiring the county to reimburse \$165,380.93 in RATA funds paid, or to grant an additional time extension for the project.

Staff finds that the county has diligently pursued the project, using \$7,500 in county funds to accomplish design of the project; that the proposed improvements will address structural deficiencies caused by heavy farm to market haul traffic, improve horizontal alignment and steep grades and eliminate roadside hazards; that the county has submitted the request for an additional time extension in a timely manner, well in advance of actual project lapsing; and that an extension would support CRAB's commitment to public safety, health and general welfare.

Staff recommends an additional extension to December 31, 2018, which will allow the county to pursue construction of needed improvements to Almota Road 4.

Mr. Storey provided further information, and then recused himself from discussion and voting on the request.

The general consensus of the Board was to grant the county a longer extension than requested. They also agreed that they would encourage the county to not rule out the path of eminent domain as one of the tools at their disposal, should any of the property owners involved continue to be uncooperative.

Following discussion, Second Vice-Chair Woods moved and Commissioner Janicki seconded to approve Whitman County's request for an additional construction time extension to June 30, 2019, for the Almota Road 4 project. **Motion passed unanimously**, with Mr. Storey recused.

**Chair Stacy called for a brief recess.**

Commissioner Price-Johnson joined the meeting at 2:53 pm.

## **COMPLIANCE AND DATA ANALYSIS MANAGER'S REPORT**

Mr. Pohle noted that Mason County appointed John Huestis, PE, as County Engineer on December 13, 2017.

He reported that all 39 counties submitted the seven annual reports due to CRAB by December 31 in the CARS (CRAB Annual Reporting System).

He reminded the Board that all counties are required to have responded to and/or processed at least 90% of the county road collision reports submitted to them for coding by December 31 of each year. For 2017, 37 counties were compliant as required, with the other two being very close and considered to be in reasonable compliance. The issue for these two counties relates to how the WSDOT program reacts to a “not my jurisdiction” response from the county.

In regards to Thurston County’s actions regarding traffic law enforcement expenditures, Mr. Pohle reported that the County did, before the January 1, 2018 deadline, transmit budget information and Resolutions intended to show proof of commitment to become fully compliant. On January 3, staff met with Thurston County representatives to review and ask questions regarding the materials submitted and request written clarifications and follow-up documents. On January 11, Thurston County submitted the requested supplementary information which, when added to the previously supplied documents, satisfied staff that Thurston County has presented sufficient and definitive proof of their commitment to comply with 36.79.140 in 2018.

Mr. Pohle reported that in October 2017 the newly-appointed Lewis County Engineer discovered some inconsistencies in the county’s internal process of diversion of road levy for traffic law enforcement, and reported his findings to CRAB. On October 25 Mr. Pohle visited Lewis County to meet with Public Works and other county officials to discuss the issues.

The county was collecting the road levy and depositing all of it in the Road Fund, but only showing revenue to the Road Fund in an amount minus the anticipated ‘diversion’. The Road Fund budget did not reflect total revenue nor the transfer of the funds for Traffic Law Enforcement. Quarterly, the county was transferring 25% of the ‘diversion’ amount from the Road Fund to a specific and identifiable account in the Current Expense Fund designated to receive diverted road levy. The County Engineer was signing an acknowledgement of the transfer. The county was expending the transferred road levy for traffic law enforcement, and certifying annually to CRAB that the county was doing a statutory diversion per RCW 36.33.220 on both the Road Levy Certification and the Certification for Traffic Law Enforcement Expenditures.

In essence, the County was utilizing a process that was a hybrid of statutory Diversion and Operating Transfer, and NOT meeting the statutory and compliance requirements of either process. Research determined that this had been going on since 1998 when a new financial system was implemented in the Treasurer’s Office. This system was unable to handle the statutory requirements of diversion, intercept a designated amount of collected road levy and divert it to Current Expense **before** being deposited in the Road Fund.

The County agreed and committed to immediately pursue mitigation of the past practice, choose a legal method, retroactively implement that method for 2017 and correct all processes and documentation, and implement a legal method for 2018 and

beyond. The County has chosen to use the Operating Transfer method for 2017, and a combination of levy shift and operating transfer in 2018 and beyond.

He reported on his activities since the October 2017 CRABoard meeting.

He noted that as of 3:30 pm, 38 of the 39 counties have submitted the Road Levy Certification that is due today. Staff has noticed a trend to larger “diversions”, and estimates that approximately \$60 million has been diverted away from the counties’ Road Funds in some manner in the last year.

## **DEPUTY DIRECTOR’S REPORT**

### **County Engineers/Public Works Directors**

Mr. Olsen noted that on December 12, 2017, Mason County appointed John Huestis, PE, as County Engineer, effective December 12, 2017, after the resignation of County Engineer Melissa McFadden, PE.

He noted that Skamania County Engineer Tim Homann, PE, is retiring at the end of February, and Public Works Director Larry Douglass is retiring soon as well. The county has advertised for both positions.

### **County Visits completed since October 2017**

Mr. Olsen noted visits to Thurston, Kittitas, Douglas, Adams, Whitman, Asotin, Garfield, Franklin, Lincoln, Skamania, and Mason Counties. Numerous contacts with County Engineers took place in other venues.

### **State Auditor’s Report**

The 1997 State Auditor Office (SAO) audit of CRAB concluded that the minutes of the Board meetings needed specific mention of SAO audits of the counties and of any findings that might relate to the statutory responsibilities of CRAB. The minutes also need to reflect any recommendations from the CRABoard to staff in response to the audits. This report details our staff procedures to satisfy the SAO.

CRAB has reviewed 15 audit reports representing 13 counties since the October 2017 Board meeting. Two audits contained a total of five findings issued and none involved County Road Funds in some form. Any audits with county name in bold print revealed substantive findings involving County Road Funds, specifically:



## 2016 Audits

Report #	Entity/Description	Report Type	Audit Period	Date Released	New?	Co. Rd?	Prev?	Status
1020390	Pacific County	Accountability	01/01/2015 to 12/31/2016	1/18/2017				
1020506	Kitsap County	Accountability	01/01/2016 to 12/31/2016	12/28/2017				
1020189	Adams County	Accountability	01/01/2016 to 12/31/2016	12/18/2017				
1020356	Asotin County	Financial	01/01/2016 to 12/31/2016	12/18/2017				
1020399	Garfield County	Accountability	01/01/2015 to 12/31/2016	12/18/2017				
1020400	Garfield County	Financial	01/01/2015 to 12/31/2016	12/18/2017				
1020183	Okanogan County	Accountability	01/01/2016 to 12/31/2016	11/20/2017	1	N		
1020147	Mason County	Accountability	01/01/2016 to 12/31/2016	11/16/2017	1	N	2	NCR
1020194	Lincoln County	Accountability	01/01/2015 to 12/31/2016	11/16/2017				
1020163	Kittitas County	Accountability	01/01/2016 to 12/31/2016	11/13/2017				
1020094	Pend Oreille County	Accountability	01/01/2016 to 12/31/2016	11/2/2017				
1020133	Cowlitz County	Accountability	01/01/2016 to 12/31/2016	11/2/2017				
1020039	Columbia County	Financial	01/01/2016 to 12/31/2016	10/30/2017				
1020042	Columbia County	Accountability	01/01/2015 to 12/31/2016	10/30/2017			1	NCR
1019865	Island County	Accountability	01/01/2016 to 12/31/2016	10/26/2017				
<b>TOTAL</b>					<b>2</b>		<b>3</b>	

  

NCR	Non-County Road
CR-FC	County Road-Fully Corrected
CR-PC	County Road-Partially Corrected

Council Member Lambert asked if there are any specific areas that recent audits seem to be focusing on. Mr. Pohle noted that the use of restricted funds and whether a county is following its own financial processes seem to be two trends. Commissioner Koch said he has seen an increase in the SAO conducting random tests of vendor verifications.

### Activities

Mr. Olsen reviewed a list of his activities since the October 2017 CRABoard meeting.

**Chair Stacy recessed the meeting at 3:46 p.m. The meeting will reconvene February 2, 2018 at 8:30 a.m.**

**County Road Administration Board  
Friday, February 2, 2018**

**CALL TO ORDER**

The meeting was reconvened by Chair Stacy at 8:30 a.m.

**WSACE UPDATE**

Mr. Rowe noted that the annual Professional Development Conference will be February 7-9 in Cle Elum. The East and West Roundtable Meetings will be held in mid-March. The National Association of County Engineers Conference will be held in the Wisconsin Dells April 22-26. The annual WSACE Conference will be June 5-7 at the Alderbrook Resort in Union.

He reported that the association is focusing their study grant funds on culvert inventory systems and road safety issues.

Mr. Rowe reported on bills and issues currently being considered in the Legislature that are of interest to the counties.

He announced that he plans to retire immediately following the WSACE Conference in June. He presented a letter to Mr. Koster detailing his challenges over the years with raising the priority level of road issues in WSAC, and suggested that the CRABoard and staff take a more proactive role in this in the future.

**STAFF REPORTS**

**IT Manager**

Mr. Hagenlock reported on the status of the GIS-Mo project, noting that staff has signed a funding agreement with WSACE for \$125,000 and submitted a grant application for \$400,000 to the WTSC. The next steps are to complete the OCIO IT Preliminary Project Assessment Tool and the Sole Source Justification.

He noted that while staff continues to plan for the migration of the agency's servers to WATech, there is a bill before the House that would make the move optional rather than mandatory. Currently, the migration is required by June 30, 2019.

Mr. Hagenlock presented a brief outline of some of the improvements planned for the agency website. The new site will be more responsive, accessible across all mobile platforms, contain a Content Management System and more responsive search tool, and be easier to navigate than the current site. Several staff members will have the ability to post and maintain specific content on the site, which will keep information more current and dynamic.

He reported that staff is reviewing the state's OCIO policies, and bringing CRAB's internal IT policies into compliance.

**Design Systems**

Mr. Ayres reported on the Road Design Conference held November 1-3, 2017, in Chelan. There were 87 participants from 29 counties in attendance. He announced that Thurston County won the Annual Project Design Award, and presented the plaque and certificate to Mr. Balder, Mr. Evans, and Ms. Parsons.

He noted several training sessions scheduled in the CRAB offices in the coming months.

He reported on the progress of the agency's declaration of the Lead Applicant for the new FAA Integration Pilot Program (IPP). The IPP is an opportunity for governmental agencies to partner with private sector entities to accelerate safe Unmanned Aerial Systems integration. He explained that the IPP aims to accomplish operations for research including advancing beyond line-of-sight flight, night operations, and flying over human beings.

Mr. Oyler gave a brief demonstration of the new website prototype.

Chair Stacy adjourned the CRABoard meeting at 9:45 a.m.

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Chair

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Attest