

Minutes
County Road Administration Board
October 24-25, 2019
CRAB Office – Olympia, Washington

Members Present: Brian Stacy, PE, Pierce County Engineer, Chair
 Rob Coffman, Lincoln County Commissioner, Vice-Chair
 Lisa Janicki, Skagit County Commissioner, Second Vice-Chair
 Al French, Spokane County Commissioner
 Bob Koch, Franklin County Commissioner
 Kathy Lambert, King County Councilmember
 Grant Morgan, PE, Garfield County Engineer
 Randy Ross, Grays Harbor County Commissioner
 Mark Storey, PE, Whitman County Engineer

Staff Present: John Koster, Executive Director
 Walt Olsen, PE, Deputy Director
 Eric Hagenlock, Information Services Division Manager
 Karen Pendleton, Executive Assistant
 Rhonda Mayner, Secretary
 Randy Hart, PE, Grant Programs Manager
 Derek Pohle, PE, Engineering & Admin Support Manager
 Andrew Woods, PE, Compliance & Data Analysis Manager
 Mike Clark, Road System Inventory Manager
 Brian Bailey, Design Systems and UAS Program Manager
 Scott Campbell, Systems Security Specialist
 Cameron Cole, GIS Administrator

Guests: *WA State Representative Jake Fey
 *Jane Wall, WSACE Managing Director
 *Chad Johnson, DES, Budget Analyst

**October 24, 2019 only*

CALL TO ORDER

Chair Stacy called the meeting to order at 1:00 pm. He asked guests to sign the attendance sheet and to silence all electronic devices.

CHAIR'S REPORT

Approve Agenda for the October 24-25, 2019 Meeting

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

Approve Minutes of July 25-26, 2019 CRABoard Meeting

Commissioner Ross moved and Mr. Storey seconded to approve the minutes with one correction. **Motion passed unanimously.**

Mr. Koster introduced Mr. Bailey and welcomed him to the staff.

RURAL ARTERIAL PROGRAM

Program Status Report

Mr. Hart reviewed the Rural Arterial Program (RAP) project status report. He noted that 1,096 projects have been completed to date. Anticipated revenue at the end of the 2019-2021 biennium is \$652,412,759. RAP expenditures to date total \$585,383,824. RAP obligations remaining are \$157,304,031.

Project Request Actions Taken by CRAB Staff

Mr. Hart noted that Snohomish County contacted CRAB via letter dated August 16, 2019 requesting combination of the RATA funded 84th St NE / 115th Ave NE intersection project, milepost 1.58 - 1.78 (RAP Project # 3117-01); with the non-RATA funded 84th St NE resurfacing project, mileposts 0.63 - 1.58 and 1.78 - 2.65; AND the non-RATA funded Marine Drive, mileposts 0.00 – 1.78.

The CRAB Director approved the combination with the condition that the work items related to the RATA funded project remain distinct and separate from the non-RATA funded work through the bid documents, contract plans, and billing processes, in keeping with WAC 136-170-050 - Combining of RATA funded project with non-RATA funded project. An amendment providing for the combination was executed by Snohomish County and CRAB.

Resolution 2019-009 – Apportion RATA Funds to Regions

Mr. Hart presented Resolution 2019-009 – apportion RATA funds to regions, which approves that the accrued amount of \$3,799,615 now credited to RATA in August and September 2019 be apportioned to the regions by the established 2017-2019 biennium regional percentages after setting aside \$141,930 for administration.

Commissioner Ross moved and Second Vice-Chair Janicki seconded to approve Resolution 2019-009 – Apportion Rata Funds to Regions. **Motion passed unanimously.**

Consider Call for Projects

Mr. Hart reported that per WAC 136-161-020, the RAP cycle begins at the fall odd-year CRABoard meeting, when the board considers the RATA balance, project payment schedules, and future revenue to determine if enough funds will be available to provide for a new array of projects for the 2021–2023 biennium.

Although RATA fund revenue experienced a downturn during the 2007–2013 three biennia period, it has increased steadily and is expected to continue to do so. The

estimated 2021–2023 RATA revenue as of September 2019 is \$40,193,000. Connecting Washington transfers from the Motor Vehicle Account into the RATA quarterly will amount to an additional \$4,844,000 in the 2021–2023 biennium, dependent on legislative approval. Total available revenue is estimated to be \$45,037,000.

He noted that in the 2017-2019 biennium, RATA spending was 63% of that planned. Since many projects are currently advertised for construction, staff anticipates the spending will continue at approximately 60%, leaving the end of biennium RATA balance at \$21,000,000. The balance during the 2021–2023 biennium will likely increase as there are fewer projects programmed for construction during that time. The resulting balance at the end of that biennium is anticipated to be about \$27,000,000. The balance will be less if the new 2R projects scheduled for 2023-2025 advance into the 2021–2023 biennium.

Though new projects aren't programmed for immediate construction reimbursement, adding new projects for reimbursement in later years has typically pressured older projects to get built. The over obligation of RATA funds, currently \$158,000,000, with new projects will have the effect of pushing the estimated \$24,000,000 balance lower, adding approximately another \$45,000,000 of funding in two years.

Mr. Hart reported that after funding partially funded projects, \$14,000,000 would remain for funding of new projects. CRABstaff would schedule construction reimbursements for new projects in the 2025-2027 biennium. Projects will advance to an earlier reimbursement based on progress certified in RAP Online by the county engineer.

The balance has increased from a low of \$14,000,000 in 2015 to approximately \$19,500,000 currently. This should continue gradually since Connecting Washington funding adds \$4,800,000 every biennium, and some older projects showing no progress were re-scheduled for later reimbursement. Maintaining a healthy balance will allow smaller-scope new projects to advance easily. With continued project management in RAP Online, and additional projects funded in 2021–2023, staff can allow advancements to draw the balance down further.

He noted that the fuel tax revenue estimate has been steadily increasing over the last three biennia, and Connecting Washington funds have also boosted the total revenue to about \$46,000,000 per biennium. Most of the current projects were funded at the \$40,000,000 revenue level, and these factors are slowing the draw on the balance.

A lower minimum balance of \$5,000,000 in the RATA is acceptable due to legislative approval of the Emergency Loan Program in April 2019, which will address emergency funding needs previously funded by the RAP.

The RAP Online application, direct communication with the county engineer, and RAP regional meetings tie reimbursement schedules closely to project progress, allowing staff to closely monitor project activity and account balance.

Staff recommends a call for projects be issued by the CRABoard in January, 2020 for projects to be funded during the 2021–2023 biennium. A call for projects would require preliminary proposals be submitted to CRAB by March 1, 2020, and the first allocation of funds would occur at the spring 2021 CRABoard Meeting.

Staff further recommends that in the event the RATA balance should drop to \$5,000,000, projects be delayed based on progress as certified in RAP Online and discussions with the county engineers.

Following questions and discussion, Mr. Storey moved and Commissioner French seconded to issue a call for new projects for the 2021-2023 biennium. **Motion passed unanimously.**

DIRECTOR'S REPORT

Current Budget Status

Mr. Koster introduced Mr. Johnson, who noted that the agency is in good status so far this biennium. He mentioned that the agency will have a lower lease payment as well as three months of free rent following the office's physical move within the current building in January. He gave a brief presentation of the agency forecast for the remainder of the biennium.

2019-2021 Supplemental Budget Request

Mr. Koster reported that the request has been submitted, asking for additional funding to cover the cost of leave balance buyouts, to implement adequate overlap succession for planned retirements in 2020, and to augment the increased costs of IT services from WaTech.

WSACE REPORT

Ms. Wall reported on the agenda for the County Leaders' Conference in November in Spokane. She noted that the WSACE is proposing a new dues structure and increase. The Professional Development Conference in February 2020 will focus on Law School for Public Works Directors, and will be co-hosted by the Washington State Risk Pool and the Association of County Prosecutors.

The Association has been working to educate their members on the potential impacts to the counties if Initiative 976, which seeks to roll back vehicle license tabs to \$30, passes in November.

She noted that in the 2020 Legislative Session, the WSACE intends to lay groundwork for the 2021 session, including requests for fish passage funding and for the defederalization of transportation funding.

Chair Stacy called for a brief recess.

WASHINGTON STATE REPRESENTATIVE JAKE FEY

Chair Stacy introduced Representative Fey, Chair of the House Transportation Committee, who expressed his desire to engage with the transportation agencies around the state.

He outlined the impacts to transportation funding if Initiative 976 passes. He noted that he will be looking for ways to transfer funds, rather than looking for new ways to raise revenues. He will also look at diverting from WSDOT, ferry, and federal funds, among others.

Mr. Hart outlined the RAP spending program and how the over obligation of funds works to keep the balance at a reasonable level, while encouraging project completion.

Mr. Koster noted that culvert replacement costs should be included in future studies of statewide transportation funding needs.

DIRECTOR'S REPORT continued

2020 Meeting Schedule

Mr. Koster presented staff's recommendations for the 2020 CRABoard meeting schedule.

Following discussion, Commissioner French moved and Second Vice-Chair Janicki seconded to set the 2020 meeting dates as January 30-31, April 16-17, July 30-31, and October 29-30. **Motion passed unanimously.**

Approve Annual Certification Form

Mr. Koster noted changes to reflect the current reporting period dates as well as the addition of a new line asking for the counties' number of NBI Bridges as of December 31, 2019.

Vice-Chair Coffman moved and Commissioner Ross seconded to approve the 2019 Annual Certification Form. **Motion passed unanimously.**

New Organizational Chart

Mr. Koster presented the updated chart, reflecting current agency staffing as well as planned future hiring.

Commissioner Ross moved and Mr. Storey seconded adoption of the organizational chart. **Motion passed unanimously.**

Director's Activities

Mr. Koster reported on his recent activities, including attendance at the final meeting for the Washington Road Usage Charge project. He noted that the lease for the new office space has been signed, and the agency is scheduled to complete the move by January 1, 2020.

EMERGENCY LOAN PROGRAM

Mr. Woods noted that the goal of the program is to provide financial assistance to counties during a disaster, and presented the proposed language for WAC 136-500, EMERGENCY LOAN PROGRAM (ELP).

He reported that no comments have been received on the CR-101's filed in August, and the next step is for the CRABoard to set a public hearing for the January 2020 CRABoard Meeting.

Following questions and discussion, Mr. Storey moved and Commissioner Koch seconded to set a public hearing on WAC 136-500, EMERGENCY LOAN PROGRAM (ELP), for 2:00 pm on Thursday, January 30, 2020. **Motion passed unanimously.**

Chair Stacy recessed the meeting at 3:48 pm on October 24, 2019. The CRABoard meeting was scheduled to resume October 25, 2019 at 8:30 am.

**County Road Administration Board
Friday, October 25, 2019**

CALL TO ORDER

The meeting was called to order by Chair Stacy at 8:30 am.

DEPUTY DIRECTOR'S REPORT

County Engineers/Public Works Directors

Mr. Olsen noted there were no reported vacancies or changes in County Engineers since the July 2019 CRABoard meeting.

County Visits completed since July 2019

Mr. Olsen reported that official County Visits were conducted in Okanogan, Lincoln, Spokane, Pend Oreille, Asotin, Whitman, Ferry, Stevens, and Kitsap 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 54 audit reports representing 35 counties since the July 2019 CRABoard meeting. Seventeen audits contained a total of 23 findings issued and two involved County Road Funds in some form. Additionally, 20 audits contained 26 prior findings, and four involved County Road Funds. Any audit with a number under the "New" or "Prev" heading revealed findings involving County Road Funds. Status of those findings are also shown below:

2018 Audits

Report #	Entity/Description	Report Type	Audit Period	Date Released	New?	Co. Rd?	Prev?	Status
1024727	Wahkiakum County	Financial	01/01/2017 to 12/31/2018	10/10/2019				
1024787	Wahkiakum County	Accountability	01/01/2017 to 12/31/2018	10/10/2019				
1024564	Columbia County	Financial and Federal	01/01/2018 to 12/31/2018	9/30/2019			1	CR-FC
1024655	Klickitat County	Accountability	01/01/2018 to 12/31/2018	9/30/2019				
1024659	Island County	Accountability	01/01/2018 to 12/31/2018	9/30/2019				
1024702	Island County	Financial and Federal	01/01/2018 to 12/31/2018	9/30/2019	2	NCR	1	?
1024713	Cowlitz County	Financial and Federal	01/01/2018 to 12/31/2018	9/30/2019	1	NCR	1	NCR
1024714	Ferry County	Financial and Federal	01/01/2018 to 12/31/2018	9/30/2019	1	1	2	1 CR-FC
1024723	Mason County	Accountability	01/01/2018 to 12/31/2018	9/30/2019			1	NCR
1024734	Franklin County	Financial and Federal	01/01/2018 to 12/31/2018	9/30/2019			1	NCR
1024738	Walla Walla County	Financial and Federal	01/01/2018 to 12/31/2018	9/30/2019	1	NCR		
1024744	Chelan County	Financial and Federal	01/01/2018 to 12/31/2018	9/30/2019	1	?	1	NCR
1024745	Chelan County	Accountability	01/01/2018 to 12/31/2018	9/30/2019	1	NCR		
1024766	Grant County	Financial and Federal	01/01/2018 to 12/31/2018	9/30/2019	1	NCR	1	NCR
1024778	Kittitas County	Financial and Federal	01/01/2018 to 12/31/2018	9/30/2019	1	NCR	1	NCR
1024651	King County	Financial and Federal	01/01/2018 to 12/31/2018	9/26/2019	2	NCR	1	NCR
1024653	Klickitat County	Financial and Federal	01/01/2018 to 12/31/2018	9/26/2019				
1024699	San Juan County	Financial and Federal	01/01/2018 to 12/31/2018	9/26/2019	1	NCR	1	NCR
1024703	Mason County	Financial and Federal	01/01/2018 to 12/31/2018	9/26/2019	1	NCR	3	1 CR-FC
1024704	San Juan County	Accountability	01/01/2018 to 12/31/2018	9/26/2019				
1024635	Whitman County	Financial and Federal	01/01/2018 to 12/31/2018	9/23/2019				
1024646	Okanogan County	Accountability	01/01/2018 to 12/31/2018	9/23/2019				
1024650	Clallam County	Financial and Federal	01/01/2018 to 12/31/2018	9/23/2019				
1024656	Skamania County	Financial and Federal	01/01/2018 to 12/31/2018	9/23/2019			1	
1024660	Okanogan County	Financial and Federal	01/01/2018 to 12/31/2018	9/23/2019			1	
1024335	Pend Oreille County	Accountability	01/01/2018 to 12/31/2018	9/19/2019				
1024495	Clark County	Accountability	01/01/2018 to 12/31/2018	9/19/2019				
1024516	Clark County	Financial and Federal	01/01/2018 to 12/31/2018	9/19/2019	1	NCR		
1024542	Douglas County	Financial	01/01/2018 to 12/31/2018	9/19/2019			1	NCR
1024549	Lincoln County	Financial and Federal	01/01/2018 to 12/31/2018	9/19/2019				
1024550	Lincoln County	Accountability	01/01/2017 to 12/31/2018	9/19/2019				
1024577	Stevens County	Financial and Federal	01/01/2018 to 12/31/2018	9/19/2019				
1024583	Jefferson County	Financial and Federal	01/01/2018 to 12/31/2018	9/19/2019			1	NCR
1024586	Jefferson County	Accountability	01/01/2018 to 12/31/2018	9/19/2019				
1024645	Pierce County	Accountability	01/01/2017 to 12/31/2017	9/19/2019				
1024465	Adams County	Accountability	01/01/2018 to 12/31/2018	9/16/2019				
1024518	Grays Harbor County	Accountability	01/01/2018 to 12/31/2018	9/16/2019				
1024519	Grays Harbor County	Financial and Federal	01/01/2018 to 12/31/2018	9/16/2019				
1024562	Pend Oreille County	Financial and Federal	01/01/2018 to 12/31/2018	9/16/2019	1	1		
1024563	Asotin County	Financial and Federal	01/01/2018 to 12/31/2018	9/16/2019				
1024605	Spokane County	Financial and Federal	01/01/2018 to 12/31/2018	9/16/2019				
1024466	Adams County	Financial and Federal	01/01/2018 to 12/31/2018	9/12/2019				
1024551	Whatcom County	Financial and Federal	01/01/2018 to 12/31/2018	9/12/2019	1	NCR	1	NCR
1024552	Whatcom County	Accountability	01/01/2018 to 12/31/2018	9/12/2019				
1024511	Pacific County	Financial and Federal	01/01/2018 to 12/31/2018	9/9/2019			1	NCR
1024510	Pacific County	Accountability	01/01/2017 to 12/31/2018	9/5/2019				
1024416	Snohomish County	Financial and Federal	01/01/2018 to 12/31/2018	8/15/2019				
1024380	Pierce County	Financial and Federal	01/01/2018 to 12/31/2018	8/8/2019	2	NCR	1	NCR
1024403	Kitsap County	Financial and Federal	01/01/2018 to 12/31/2018	8/1/2019	3	NCR	4	NCR
1024213	Kitsap County	CAFR	01/01/2018 to 12/31/2018	7/29/2019				
1024231	Kitsap County	Attestation	01/01/2018 to 12/31/2018	7/29/2019				
1024205	Skagit County	Accountability	01/01/2018 to 12/31/2018	7/25/2019				
1024253	Skagit County	Financial and Federal	01/01/2018 to 12/31/2018	7/25/2019	2	NCR		
1024370	Clark County	CAFR	01/01/2018 to 12/31/2018	7/25/2019				
NC	County Road-Not Corrected			TOTALS	23	2	26	
NCR	Non-County Road							
CR-FC	County Road-Fully Corrected							
CR-PC	County Road-Partially Corrected							

Deputy Director's Activities

Mr. Olsen reported on his activities since the July 2019 CRABoard meeting.

ENGINEERING AND ADMINISTRATIVE SUPPORT REPORT

Mr. Pohle reported contacts with 16 counties, nine with other agencies and one with the public since the April CRABoard meeting.

He noted that no new audit issues, with compliance components initiating consultative contacts, involving the road fund or road departments, have been reviewed in the last quarter.

He is updating content for the next County Engineers' Training, to be held in the CRAB offices December 3-5. There will be additional content on several topics.

He reported on his other activities since July 2019, including work on fair and equitable distribution of SAO annual audit costs, bridge replacement, and a Public Lands Survey Office "county surveyor for recording" proposal.

COMPLIANCE AND DATA ANALYSIS REPORT

Mr. Woods noted that the online CRAB Annual Reporting System (CARS) forms due December 31 went live on August 5. They are:

- Six-Year Transportation Improvement Program (TIP) and Budget Analysis
- Annual Construction Program
- County Arterial Preservation Program (CAPP)
- County Budget Summary
- Pavement Management System Certification for CAPP
- Work Plan and Budget for Maintenance Management System (MMS)
- Engineer Certification of December Forms

He reported that Kittitas County is still actively recruiting for a County Engineer.

He noted that from July 20 to October 18, 2019, there were multiple audit findings or management letters involving county road or ER&R funds for the following items:

- Federal Debarment – Failure to document checking that a contractor, or lower tier subcontractor, are not debarred from working on federal aid projects.
- Procurement Policy – Not updated to include language required by Title 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (§200.318 – General Procurement Standards).

Clallam County's FY 2017 accountability audit had a finding regarding their indirect cost distribution method. This finding was after receiving management letters for the same issue for FY 2015 and FY 2016. The county has revised their indirect cost allocation

plan, which was reviewed by the SAO and found to be acceptable. The SAO has informed the county that they will not be receiving a finding on their 2018 audit due to these efforts.

Mr. Woods reported on his other activities since the July 2019 CRABoard Meeting.

INFORMATION SERVICES DIVISION MANAGER'S REPORT

Mr. Hagenlock reported that the VUEWorks configuration contract for GIS-Mo was closed out on September 25, 2019. It finished \$43,000 under budget due to sales tax exemptions and minimal quality assurance oversight costs. A Go-Live Readiness Briefing is scheduled for December 10. The first GIS-Mo training class will be held November 6-7 in the CRAB Training Room.

For the WaTech Migration Project, CRAB has received a waiver through January 31, 2020, with an expected completion date of December 31, 2019. The complications in moving from one network to another have been further hindered by slow response times from WaTech. CRAB has submitted a supplemental budget request for the private cloud operating costs, which are anticipated to be approximately \$4,000 per month.

He noted that in preparation for the physical office move, the cabling should be completed by October 31. A new network circuit is due to be installed no later than December 1, which will allow CRAB's servers to be moved as soon as network room upgrades are complete and for the new phone system to be tested and ready for operation.

The IT staff is continuing to work on the Content Management System (CMS). Staff evaluation is complete, and they are preparing for production.

He reported that Mr. Campbell has completed Security+ Certification, and has completed many system security updates.

Mr. Hagenlock noted that Adams, Greys Harbor, Kitsap, and Lewis Counties participated in a three-day GIS-Mo end-user training and beta testing. There have been meetings with the Interoperability Workgroup, various WSDOT personnel and Thurston County. He presented a calendar showing the scheduled GIS-Mo training sessions through October 2020. The initial training will be limited to the county Road Log Managers and one power user per county.

For the first quarter of FY 2020, there were 94 IT issues reported across 13 categories, and 78 of those were resolved.

DESIGN SYSTEMS AND UAS PROGRAM MANAGER'S REPORT

Mr. Bailey reported that he has been reaching out to the County Engineers and Design

Engineers since joining CRAB in mid-September, and has met with several of CRAB's vendors. He will be attending Autodesk University in Las Vegas in November.

He noted that the annual Road Design Conference will be held in March 2020 at Lake Chelan.

For future design systems training, he is considering incorporating more workflow sessions, using real-life county issues as teaching tools, and introducing some e-learning opportunities.

He presented CRAB's newest Unmanned Aerial Vehicle, and reported that he has completed the first stage of FAA training. Jim Ayres, PE, will be coming in to CRAB for 40 hours in November to assist Mr. Bailey in learning to operate the UAV's.

Meeting adjourned by Chair Stacy at 10:19 am.

Chair

Attest