

# Cowlitz County Commissioner's Quarterly Newsletter

THIRD QUARTER 2013



## Budget Issues: by Commissioner Karnofski



Cowlitz County's total budget is over \$190 million. The majority of the \$190 million is restricted and can only be spent on specific items such as roads, veterans' relief, capital improvements, etc. The key budget that covers the items, other than roads, that have the greatest effect on citizens is the General Fund budget. The \$40 million General Fund budget covers law and justice activities, parks, building and grounds maintenance, administrative services, elected officials offices and Community Long Range Planning. The law and justice activities account for almost 75% of the General Fund Budget. These activities include the sheriff, corrections (jails), the prosecuting attorney, courts (superior and district), court clerks and office of public defense. Most of these activities have little opportunity for budget reductions since they are mandated by the Constitution (both State and Federal) or other laws and regulations. That basically leaves the remaining 25% of the budget (\$10 million) that can be reduced to meet the projected revenue.

Over the last few years the County has been using its cash reserves to cover the shortfall between revenue and expenses. We can no longer do this since we require a certain level of reserves to cover cash flow and emergencies. Having a good bond rating that allows us to reduce interest when we sell bonds and thereby save the citizens money also requires healthy reserves. Looking ahead to 2014, we have about a \$4 million gap between revenue and expenditures. Revenue has not and will not increase significantly in the foreseeable years. Expenses must be reduced. So what are we doing—?

- Reviewing the organization to make sure we have the right people doing the right work
- Making better use of technology
- Coordinating with other government entities to reduce costs and become more efficient
- Working with our employees, Elected Officials, bargaining units and citizens to get cost reductions
- Contract out or eliminating non required services and activities

There is no quick fix; the solution will be a combination of activities. Our goal is to provide the citizens of Cowlitz County with the best services we can within the budget constraints. In future newsletters we will be discussing the specific activities in more detail.



## **“Innovations”: by Commissioner Misner**

Though the County’s budget shortfalls are real and challenging, we are committed to working with one another to find savings wherever possible while attempting to maintain and even improve certain levels of service.

Elected Officials and Department Heads met for a two day engagement to discuss the budget and how we will approach it. A summary of the Cowlitz County Leadership Team meeting is available on the County Website if you wish to know about the discussions and our planned approach to meeting the challenges presented with the task of balancing this year’s budget. We will submit a preliminary County budget in early September.

Discussions resulted in an organized approach to developing a plan that includes select teams of Commissioners working with County Leadership together in the areas of:

1. Budget Process and Priorities recommendations (Commissioner Karnofski)
2. Innovations to explore new ideas and approaches to providing services (Commissioner Misner)
3. Strategic Sustainability Planning (Commissioner Weber)

I’ve been serving on the Innovations team with 10 other Department Heads and Elected Officials to discuss new ways of doing County business as well as exploring other innovative ways of improving services while reducing costs. This group has met several times and used suggestions provided by County staff from every level & department as the starting point. The best ideas in any organization typically come from the people most closely connected to the services being provided and this organization has been no different. The meetings so far have resulted in proposals including a change in how we do our purchasing, administrative hours of operation, the potential to contract certain services, assessing long-term goals with real properties, technological improvements, legal requirements, and a thorough review of how we process and deliver services from our individual departments as well as an organization as a whole. These are just a few areas we are exploring and many of the items noted are already being implemented. Each of the County leaders participating on this team bring years of experience and valuable insights. There is no doubt that all of us in Cowlitz County have a difficult challenge before us due to a persistently stubborn downturn in the economy and other circumstances that are beyond our collective control. I am encouraged however, by the bright ideas and commitments towards a positive end result exemplified by the dedicated staff we so fortunately include.

## **“Action Report” from Commissioner Dennis Weber**

Since hitting the ground running in January, I have been very busy with constituent services, researching budget reforms, building working relationships with other elected officials and department heads, and offering suggestions on different ways to deliver services through the county. Among the boards to which I represent Cowlitz County are Lower Columbia CAP, Lower Columbia Fish Recovery Board, and the county’s Noxious Weed Board. Here are more details on the boards I represent.

## Southwest Washington Regional Airport



Cowlitz County is a partner in the new operating board of the former Kelso Airport, along with the Port of Longview and the Cities of Kelso and Longview. Norm Krehbiel of Longview serves as our citizen representative. Charged with implementing an ambitious Master Plan, the board is learning the ropes in working with a major federal bureaucracy (Federal Aviation Administration) and developing positive relationships with airport tenants, including small businesses located at the airport hangars. Veteran airport manager George Hext is leading the transition.

Our long-term goals are to lengthen the runway to enable more aircraft to take off fully fueled, as well as significant improvements to hangars to enable the airport to become a small business incubator. With airports in the greater Portland area becoming increasingly overcrowded, the FAA and the Washington State Department of Transportation are encouraging more development here. Each partner on the operating board contributes \$60,000 a year. In addition, the county has awarded the airport nearly \$600,000 in rural economic development grants for improving the runway. [SW Washington Regional Airport](#)

### Cowlitz County Building & Planning Department



We have totally reorganized the Building and Planning Department under the leadership of new Director, Dr. Elaine Placido. She has rebuilt her staff, which now includes fewer planners; taken control of the comprehensive plan updates to ensure they reflect county values; approved a new e-permitting system to enhance efficiency; and initiated a review of regulations with the objective of reducing red-tape. The new director and her staff are focusing on developing a reputation for providing superior customer service, and local contractors have welcomed these changes. Her annual budget of \$1.8 million is mostly derived from special funds – less than 10% is from general taxes.

Former County Commissioner George Raiter stepped out of retirement this spring to serve as interim director of Building & Planning, and continues to serve on a limited basis as our project manager for the Millennium Bulk Terminal coal port permitting process. There, he serves as co-lead with the Department of Ecology and the US Army Corps of Engineers. We are fortunate to have someone like George in this position, capitalizing on his long relationships with other essential players. He is committed to a process that is fair, open, and that reflects Cowlitz county values. [More Information](#)

Another significant change to the department came about when the Environmental Health Unit was joined with the Department of Health. Led by Manager Chris Bischoff, this group is responsible for reviewing septic systems, monitoring and providing permits for solid waste landfills, and for overseeing water wells and RV park developments. Next year, all of the Environmental Health programs of the county will be located at the County Administration Building, including food, school, and swimming pool safety, lake water quality monitoring, meth lab clean-up and responses to diseases spread from animals. [More Information](#)



## Noxious Weed Control Board



Another little known but vitally important agency affiliated with Cowlitz County is the Noxious Weed Control Board. A budget of less than \$160,000 a year is derived from property assessments and the board leverages a variety of grants to educate and help property owners eradicate a host of invasive and destructive weeds, including such common plants as Scotch broom, Canada thistle, purple loosestrife, and Tansy ragwort. Even more surprising is the list of pretty ornamentals that the public should be aware of as either toxic or non-native invasive plants. These include rhododendron, azalea, hyacinth, foxglove, and English ivy.

The five-person board representing the county oversees Program Coordinator Angelica Velazquez and her staff. Of particular concern is eliminating Japanese knotweed, a particularly hardy perennial with 8- to 15-foot bamboo-like canes that can become fire hazards. It has a root system that destroys native vegetation and fish habitat. The only known method to control it is herbicide application. Weed-eating and mowing simply help the knotweed spread. Be sure to contact the Board to fight this rascal. A cost-share program may be available. [More Information](#)

## Rural Economic Development Grants

As a “distressed rural county,” Cowlitz County has received—since 1998—a portion of the state’s sales tax revenue specifically earmarked for economic development. Revenues amount to about \$110,000 a month, about half of which is used for debt service on major infrastructure projects, including the Expo Center. Other uses are rail spurs at local ports, and various water and sewer projects. Through a process coordinated by Finance Director Claire Hauge, the county has made cash awards and loans to other local government entities since 2004.

In 2013 the county awarded funds for the following projects:

- ✓ \$50,000 to Kelso for storm water drainage improvement to enable expanded retail development
- ✓ \$60,000 to the Port of Woodland for an industrial feasibility study and to begin work on the boat launch
- ✓ \$65,000 to Cowlitz PUD to acquire the USFS’s power line along Spirit Lake Highway
- ✓ \$95,000 toward runway expansion at the SW Washington Regional Airport in Kelso
- ✓ \$100,000 toward rebuilding a visitor center in Kelso
- ✓ \$130,000 to Kalama and the Port of Kalama for their Spencer Creek business center
- ✓ \$225,000 to Castle Rock for continued downtown development
- ✓ \$300,000 toward streetscape improvements in downtown Longview’s Arts and Entertainment district



## Purchase of Headquarters nears Completion: by Commissioner Karnofski



The lengthy project for the County to purchase the Weyerhaeuser owned Headquarters Landfill is nearing completion. The negotiations for the purchase began about 4 years ago. The Final Environmental Impact Statement was released at the end of July, the other permits should be completed by the end of October and the purchase will close about November 1<sup>st</sup>. This is a significant event for the County and will allow the solid waste Equipment Land Facilities (ELF) fund to be invested in a valuable asset rather than be spent on rate stabilization with no return on investment. County solid waste is presently taken to the Tennant Way facility which will be full in late November and must be closed. With the imminent closure the County investigated two options for waste disposal, 1) shipping the waste to eastern Washington or 2) purchasing and operating the Headquarters Landfill. To allow using the Headquarters for municipal waste, a variety of permits had to be obtained which include numerous opportunities for public participation and comments. The cost of the landfill is approximately \$19 million and the total investment will be about \$40 million. The purchase includes the 308 acre landfill site and surrounding property. The County will borrow \$35 million and use about \$5 million in ELF funds to complete the purchases.

The advantages for the citizens of Cowlitz County are—

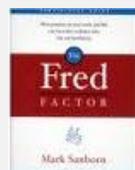
- Long-term stability in rates (landfill life is estimated to be over 100 years)
- Investment of the ELF funds in a valuable asset
- Ability to market the landfill for additional revenue
- Local control of the Landfill activities

With completion of the purchase citizens will continue to enjoy the lowest disposal costs for any County west of the Cascades.

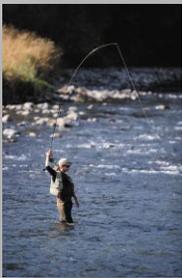
As stated by an outside third party financial review, "...the Headquarters Landfill Option presents a more favorable long-term option over the Long-haul Option..."

## "A Value Culture" by: Commissioner Misner

Customer Service is vitally important, which is why for little over a year now, Cowlitz County has been offering its employees an eight-hour course on value training and customer service excellence, called the Fred Factor. The classes are taught by the County's Risk Manager, Clyde Carpenter and I. We have now trained nearly 100 Cowlitz County staff in how passion in your work and life can turn the ordinary into the extraordinary. The Fred Factor value training course is derived from a book by author Mark Sanborn, which describes the life of a mailman who chose to serve his customers in extraordinary ways and how we can do the same for ours. The training course is based on four main principles.



1. Everyone makes a difference
2. Everything is built on relationships
3. Continually create value for others
4. Reinvent yourself regularly



As a result of this training we've had a multitude of constituents send us notes and emails about how our employees went above and beyond in the delivery of services while providing a positive experience. We will continue to invest in new technologies and systems to help us better serve; while recognizing the effectiveness of systems is typically determined by the motivational level and attitude of the people using them. That's what ultimately determines the experience for the worker, the co-workers, and of course, the customer. As we continue to explore creative ways to maintain services during these difficult fiscal times, I believe a good attitude with creative thinking doesn't cost a thing, but in most cases, can be priceless.

That's what the Fred Factor is all about and that's what the people we're serving deserve.

### Other Works in Progress

As your County Commissioners, we are constantly engaged in multiple roles as administrators, board members, and community service activities just to name a few. There are many items that all three commissioners actively work on together in an open public process and there are other things that each of us work on that are more specific to our districts and interests. Below are a few (certainly not all) things I'm directly involved in and that you can expect to see written about in upcoming newsletters.

**WRIA:** Water resourcing for Northern Cowlitz County and how it plays an impact on our future growth.



**Silverlake:** Water quality testing and improvement plans.

**Tourism:** Increasing recreation and marketing our County through collaborative efforts.

**BPA:** As BPA continues considering their new power line route; concerns continue as to the impacts it will have on local property owners, city growth boundaries, and long term revenue for essential services. Cowlitz County maintains the position of support only for the route with the least impact to personal property owners, which we believe to be a more northerly starting point. Mitigation for loss of revenue generating properties will be sought throughout the process and updates will be provided as we meet regularly with staff and representatives from BPA.

**Mental Health:** I serve as the chairman for the Southwest Washington Behavioral Health Governing Board and am currently working with our Health Department and Law and Justice partners to put together a functioning Mental Health Court.



**Hoof rot:** This is a growing concern amongst the elk populations in our County and I'll be working with state & local representatives and stakeholders to discuss strategies to address this issue.

### Cowlitz County Commissioners

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