

Board of Okanogan County Commissioners  
Monday, January 24, 2022 PM

JD—Jim DeTro, BOCC, District 3  
AH—Andy Hover, BOCC, Chair, District 1  
CB—Chris Branch, BOCC, -Vice Chair, District 2  
LJ—Lalena Johns-clerk to the Commissioners  
DG—David Gecas, Attorney for the county  
CH—Cari Hall, County Auditor  
KB—Karen Beatty, Director of Central Services  
Lisa—Finance Manager, Auditor’s Office  
NP—Naomi Peasley, Fairgrounds Manager  
Mike—Board of Health  
LMc—Leah McCormick, County Treasurer  
LC—Loren Culp, Undersheriff  
JT—Josh Thompson, Public Works  
MB—Michael Beaman, Architect  
JN—Jim Nelson, Bond Underwriter with DA Davidson  
LM—Lee Marchisio, Attorney dealing with public finance  
PP—Pete Palmer, Director of Planning and Development

These notes were taken by an Okanogan County Watch volunteer. Every attempt is made to be accurate. Notes are verbatim when possible, and otherwise summarized or paraphrased. Note takers comments or clarifications are in italics. These notes are published at <https://www.countywatch.org/> and are not the official county record of the meeting. For officially approved minutes, which are normally published at a later time, see [https://okanogancounty.org/offices/commissioners/commissioners\\_proceedings.php](https://okanogancounty.org/offices/commissioners/commissioners_proceedings.php)

The time stamps refer to the times on the AV Capture archive of the meeting on this date at [https://www.okanogancounty.org/departments/boards/live\\_streaming\\_of\\_meetings.php](https://www.okanogancounty.org/departments/boards/live_streaming_of_meetings.php). To locate items in real time, the clock on the wall in the AV Capture screen can be helpful.

Summary of significant discussions:

BOCC and CH discuss potential purchase of Munis Accounting Software to replace EDEN, which the county currently uses.

BOCC and NP discuss the need for a cross-connection specialist to sort out the water system at the Fairgrounds to make the drinking water isn’t contaminated.

BOCC and LMc and the architect and two bond experts discuss bonding to pay for the renovation of the new county court system as well as other buildings owned by Public Works. They discuss the total amount (between \$10,000,000 and \$20,000,000) length of the bond and whether to do one bond or two that would be several years apart.

Planning Department update discussion includes extension of the marijuana moratorium. PP was served with a lawsuit concerning the moratorium Monday morning. She’ll schedule a public hearing for the extension, but CB doesn’t want to vote on the extension until they’ve learned about the suit. BOCC also discusses exempt segregations and large lot segregations.

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**2:24:10**—Discussion of Munis Accounting Software with CH,KB and Lisa.

CH—BOCC directed me to research accounting software. IT department, HR, Treasurer and Auditor's office got together to do the research. Talked to other counties. Okanogan County currently uses EDEN, but other counties use Munis, so I set up a demonstration and requested quotes. We all saw the demos and we all like Munis because it meets the needs of the county best.

CH—DG says we don't need to do RFPs (Request for Proposal).

CH—Munis is a Tyler product, as is EDEN and it's easier if you go with the same company.

CH—There are multiple quotes because there are different modules. AH asked us to find out what it would cost initially if we moved to Munis. My email outlines the total costs.

CH—Our annual hosting fee right now is almost \$59,000.

AH—This doubles to \$122,000/year.

CH—That amount is if they host it.

AH—So we don't have to have all those physical things that break down.

CH—Jason, the Rep, said Munnis is moving away from not hosting.

AH—One time license fee is \$82,000. Proposed conversion, training implementation costs are \$261,000. Billed throughout the project as incurred. Total ~\$465,000 so far.

CH—Approximately \$250,000 upfront and the rest is incurred as they do it.

CH—I'll do hosted first, then non-hosted.

AH—to BOCC—let's just go hosted.

CH—Karen & I agree hosted is better, but there are pros and cons.

KB—Even if hosted, it's still web-based, but all the programs require internet. Mike Worden (Okanogan County Dispatch Center) says he's looking into StarLink, which can serve as backup internet. I agree with doing that. Mid-Valley Hospital uses it.

CH—And if we've got cell phone service, we can use it as a hot spot if we have to.

KB—But if there's no cell or internet, we could use StarLink. Processing the payroll requires internet.

CH and AH explain to JD how hot spots work.

CH—Packets have quotes for hosted vs non-hosted and with all the modules vs. a la carte. We can add modules as we go along. Josh, in Public Works, has talked to Munis about CAMS and maybe Munis won't be able to replace CAMS, but I've been assured that what we do now in EDEN, we can do in Munis. Export out of CAMS and import into EDEN.

AH—We've been doing business with Tyler and we know them.

CH—Public Works has its needs, which may not be the needs of Emergency Management, etc, so I don't think we'll find something that works for every department.

CH—Compare the two Tyler hosted quotes. One with everything and one that's a la carte. Everything has more than we need. A la carte we can add or subtract. Prices and annual maintenance costs are included.

CH—Big difference is the E-Procurement which is about \$13,000. Almost like electronic purchasing system. In Munis you can delete purchase orders (PO) so they don't encumber the budget.

AH and CH discuss liquidating POs so you know just how much money you've got in your budget.

CH—Purchasing module is \$30,000. We don't need the E-Procurement module.

CH—Project and grant accounting is a really great module. Helps grant-billing.

AH—For purchasing, so we need a PO for everything we buy?

CH—Depends on what the department wants. Maybe there could be overall procedures every department would use. Once we show department heads how this works, they'll have real time information for budget management. Grant accounting is really good in Munis and will help track grants.

CH—Executime Schedule is an added feature requested by the Sheriff's Office. They've gone with a different program, but I included it in the quote.

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AH—The two we're looking may not be the final word. Can you create one more quote that includes what you think the county needs?

CH—Jason, the Rep, is on vacation this week, so I don't know if we can get it by tomorrow.

CB—Feedback on other department?

CH—A few have said they really like it, but others haven't looked at it yet. The core that would use it a lot, like it. I can call the others.

AH—It'd been good to be able to track purchases over some amount.

CH—We can be here tomorrow at 10 AM for an hour.

**2:58:50**—AH—It's 2:06 and we have an update from the Fairgrounds.

NP—I'm Naomi Peasley and I brought Philip Barnaby, the new Maintenance Coordinator at the Fairgrounds. Also asked for Mike, Department of Health specialist to explain the importance of cross-contamination specialists. When moving forward with irrigation project, other water issues were brought up. Number one they said to Joe Poulin was we need a cross-contamination specialist. I'd like to hire someone and Mike can explain what that person would do and why.

Mike—Cross-connection specialist is a certified person who can evaluate and write plans to prevent cross connections and cross-contamination. Certified by Washington State Department of Health. Under Section 490 of the Group A water system, requires that you have a cross-control planning place and one of the elements of that is you have a specialist to evaluate, develop and implement a plan.

AH—Mike, can the specialist evaluate existing systems to see if there are cross-connection problems?

Mike—Yes. And give guidance about what to do prevent it. Check back-flow assemblies annually.

AH—All this makes sense. There are a couple of things on the Capital Improvement Plan, but this isn't on it. Were we going to forgo the electrical project?

NP—I recommend we forgo the underground irrigation. But first need to make sure there's no cross-contamination. Then build a safe system we wouldn't have to fix down the road. But we don't want to spend all the money and then have someone like Douglas Hale of Tonasket, come in and say you should have done it different.

Mike—Doug is the only certified guy in the county.

AH—It's a one-time deal. He comes and makes the plan?

NP—The first step is to hire the specialist, and there's a list of certified people for that. But I don't know exactly how to do it. Put it out for bids?

AH—You need to go out for an RFP.

NP—Been working with Jeff Johnson about this. RFP to hire engineering to draw up the plans which are sent to the state. When the state approves the plan we can hire someone to do the work. While trying to eliminate the cross-connection problem, it's come up that at big events we don't have enough water, so I suggest a reservoir. So that would also be included in the plan.

CB—Also, if the money becomes available to improve the system, we'd have a cost estimate and evaluation already done. So Department of Health would be move likely to help with funding.

NP—I don't have cost estimates yet, but I recommend we put the irrigation project on hold and move forward with electrical and cross-connection projects.

AH—Sounds like a good idea.

JD—We want to do it all in the right order, so we don't have to go back and fix it later.

NP—Another thing that happened this week, filtration system broke. No domestic water to anywhere but the Agriplex. Needs to be remedied and hope to get it done before RV Park opens in the spring.

Mike—We don't know how easy the fix will be before we get it laid out and we don't know for sure. There could be contamination. So we don't know what the fix will be.

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NP—I made a plan that would be above ground, climate controlled and easy to access, but we need to see what needs to be done before we draw up the plan.

NP—We don't really know where the water lines go and we need to.

CB—You need safe drinking water, and we're using it year round when we weren't before.

NP—Upgrade the system as well as increase testing.

AH—Back to the RFP, discussion of RCW 39.26.120 and 125. "In so far as is practicable" you need an RFP. But if there's only one certified guy in the county, ask DG if we can skip the RFP. Then move forward depending on what DG says.

**3:21:59**—Discussion of Bond Resolution and Agent Questions

AH—We want to pin down how much money we need. LMc, LC, and JT are present and, MB, JN and LM are attending via Zoom. We have the architect to discuss the building on the USFS land we just purchased, plus the Sheriff's Office and Public Works, too, because we want to include three other buildings for those two departments in the bond. We need to get our ducks in a row to know how much to borrow via a bond. \$15,000,000 is our target number.

AH—Discusses costs for the USFS property. Asks JN and LM about whether interest rates will rise.

JN—Well, maybe but it's a tough question. Spreading out the loan over a long period to spread the payments out is a good idea. Sometimes markets overreact.

AH—Is the interest cost now for 30 year bond about \$51,000 to \$54,000 per \$1,000,000 of bond?

JN—Yes, if you do 30 year financing.

AH—So, MB, when you made the cost matrix, was Juvenile in that building, or District Court? State requires us to spend 85% of the funds in the first three years. So in the main building matrix, is it flexible enough so we can swap out District Court with Juvenile?

MB—Yes. Juvenile Detention won't work.

AH—In the main building, how many offices can go in there?

MB—For sure Superior Court and related functions, the County Clerk, some juvenile administration, too.

AH—Can you get Superior Court, District Court and the Clerk all in there.

MB—If District Court and Superior Court each needs two courtrooms, I can't fit that many courtrooms in that existing building with their related functions.

AH and MB discuss costs.

LMc—This doesn't include the other buildings (Sheriff's Office and Public Works)?

AH—Correct. But the Real Estate Excise Tax (REET) coming in to that is only \$490,000/year.

AH—Josh, what's estimated cost of the shops?

JT--\$1,300,000-\$1,500,000 for both combined.

AH—And Mike, it's \$1,500,000? Does that include the Coroner?

Mike—Yes. Approximately half is for the Coroner.

AH—The Coroner's part can be funded by ARPA funds. So \$490,000/year, if we'd use all our Capital Improvement Funds (CIF) for the year over 30 years.

LMc—If we're looking at 30 years for \$15,000,000, that's \$750,000?

JN—Yes. And maybe there are other funds that could help pay—sheriff's budget, other debt payment dropping off, etc.

LMc—But we've let the building go bad for so long, and it appears we could fund this all for \$15, and now you're talking about \$10.

AH—I'm just doing math right now. 2020 actuals were \$600,000, all REET. But if property sales go down, this money goes down. And it limits any other Capital Improvement Project we'd want to do.

LMc—Do Lee and Jim have anything they want to say.

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LM—I appreciate defining the scope to be funded with bond proceeds. It’s good to get firmer numbers at the end of the discussion. Also, it’s a delegation resolution you’ll pass. It delegates someone, maybe the treasurer to sell bonds “not to exceed” an amount. Your resolution could say “up to \$20,000,000.

AH—We could go up to \$20,000,000, but later decide to sell only \$15,000,000?

LM—Yes.

LMc—That’s very helpful.

AH—What’s the time frame?

JN—In a month if you’ve locked down the figure. Rating agencies prefer that. Another issue—Adopting the resolution doesn’t have to be tomorrow. You can take another week or two. And you can also do a “not to exceed 35 year” resolution and we could run the numbers for different amounts for that time, so you can compare.

LM—Another timing issue. Resolution doesn’t have to be passed tomorrow.

LMc—So, either next Monday, Jan 31 or Feb 1 is OK?

AH—The shops need to be built and it’s low rates right now. I don’t want to not bond them. Depending on what’s ARPA fundable, I just added up all the soft and hard costs, excluding what we’ve already paid, it’s about \$18,000,000 to move the courts down there. So now it’s up to \$23,000,000.

LMc—We can split it. Do a bond within our scope now, and another one later on. Do it in phases.

AH—Can we have multiple bonds running at the same time?

JN—It comes to what you can spend in a 36 month period. You’d have to do another bond but there’s financial costs. If you issue \$10,000,000 or less in a calendar year, then you’re bank qualified (BQ) and you get a lower rate, up to ¼% less. If you’re over \$10,000,000 you’re not bank qualified.

AH—So where are we time before we initiate going through bond service.

JN—Roughly 4-5 weeks away. If you want to keep things moving forward, decide on the amount in the next 4-5 weeks.

AH—And if we’re less than \$10,000,000 it’s less.

LM—BQ means you can’t issue anymore bonds in 2022.

AH—But if we say up to \$15,000,000 but come in at \$10,000,000 does that qualify for BQ.

LM—If it’s before the sale date, March 9.

LMc—Two weeks to get the resolution to meet the March 9 deadline, correct?

LM—Yes.

AH—Do you have a templet for a BQ bond?

LM—Yes.

?—If we’re BQ, do we still have to spend the 85% in three years?

LM—Yes.

JD—Timeline?

JN—4-5 weeks from now, we’re doing the rating presentation. Usually 2-3 after that you’re pricing the bond, setting the final interest rate.

AH—We can do the three buildings for Public Works and the Sheriff’s Office, do all the pre-design for the other building, landscaping, utilities for under \$10,000,000. We can spend that money, and we’d have all the pre-design work all done and be ready for the construction cost for down there.

LMc—A change of plan, sounds like. I advise the BOCC to wait for at least a week to mull it over.

AH—We can do the resolution tomorrow designated up to \$15,000,000. And talk to MB a little bit more about costs.

JN—Can you put 36 years or less? We can run the numbers and you can see what it costs? 30 year vs 35 year terms?

AH—Yes. Let’s look at that.

AH—checks with MB about what’s been paid so far and what needs to be paid before construction.

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JN—I'll send figures for various options including an additional 1% in case interest rates rise before you do a second bond in a couple of years.

MB—discusses different ways to phase the project. Shell and core.

AH—Thanks, Michael.

AH—How much land do we have over there? If we're going to put a building in there, we want to be careful where we put it so we can do later buildings.

**4:30:00**—Planning Department update.

PP—I've got just a few things.

PP—I've got a copy of the draft ordinance written with DG's concurrent that expands the 2021-9 ordinance about the marijuana moratorium. It extends it for six months and extends the meeting period to April 1. That will give us time to meet with the remaining growers.

AH—Have we looked into coordination with the state, and the fact that anybody's able to give them an address that doesn't exist.

PP—We've got a list of things that are problems, and once it's completely compiled, I'll set up a meeting with the state.

PP—Basically, the ordinance is the same verbiage, but gives us until April 1 to meet with the existing grows. I'll schedule a public hearing.

AH—Get the date to LJ ASAP.

AH—We know when the Planning Commission meetings are going forward?

PP—Yes. But they agreed to hold meeting at 6 PM because they've got extra issues.

AH—When you know the time, can you get that information to LJ as soon as you know it.

PP—I wasn't able to respond to Isabelle because of people being away from the office, but we were a little slow getting the Planning stuff posted. I couldn't post the info on the Planning Commission website, but I got the info out as soon as I could. Looking into why I can't post on the Planning Commission website.

AH—Good. I just want to say that people who say we're trying to keep the public from seeing a meeting, that's completely out of line. We've got cameras, zoon, etc.

PP—We've met with 35 grows, 5 of them are completely shut down. We've got about 50 to go.

PP—I was served with a law suit this morning. DG and I will meet about it.

CB—What's the timeline to adopt the new ordinance?

PP—The old one expires in February and we've got time to get the new one done before this expires.

CB—We should see what the lawsuit says before we adopt the new ordinance.

AH—But schedule the public hearing anyway.

CB—I agree. Public hearing is fine.

PP—Just FYI, according to this ordinance, we've got 3 more meeting dates and then we're out. This will give us more time to meet the grows.

PP—Next thing—I was asked to put together a comparison of exempt segregation and large lot segregations, so here's a map.

AH—Who asked?

PP—You guys did. Based on conversation last time. Differences between the two—how many lots, how many years before you could make changes to that (5 years) etc.

AH—Large Lot segregation. You have to do SEPA on that.

CB—You have to do the SEPA checklist, so it's not too much.

AH—Exempt segregations are four or fewer parcels larger than 20 acres. And it basically follows the state's exempt seg stuff. Difference between large lot segregation and a subdivision is: you do a SEPA

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checklist on both, legal description on both, addresses for each parcel, name of access roads are signs. What's the difference?

PP—The water.

AH—So on a large lot segregation, you don't need to get legally available water?

CB—The reason being exempt wells. It's exempt from provisions of RCW 58.17 and then there's language about unless the county adopts something different and that included the five acre thing. And we did adopt something but it still doesn't make it a subdivision under 58.17. So what it does is exempt it from the review criteria in 58.17 which includes water adequacy.

AH—So all lots above 20 acres are exempt from subdivision in 58.17, but if you do five or more of them, we'll make you do a SEPA checklist to figure out if you've got roads in there, because if someone came and made 30 parcels of 20 acres, that'd be a large lot segregation and you'd want to know where the roads go, etc. Right?

CB—That's part of it. And we had some problems with that.

PP—Now with large lot segregation, we require they have a 911 address for each parcel to show access.

CB—I think it's illegal to create a law that doesn't have access.

AH—But you don't want to have a lot of roads willy-nilly. But I understand what you're saying.

PP—That brings up another thing DG and I have talked about. Some kind of verbiage saying "once you get to the building permit stage, you'll be required to provide proof of legal physical water under RCW 19.27." We'll come back to you guys with the boilerplate, telling them you'll have to provide that.

AH—Can you find out—Post January 26, 2021, how many exempt or large lot segregations done in WRIA 48 north of the confluence line were created?

PP—I'll get that info for you, but the next thing is—here's your ten years at a glance you asked for—how many permits we've processed in that 10 years, and lists each permit. How many were processed between 2011-2021. On the last page is a reference note talking about remaining application over the ten year period. We only did eight large lot segregations over the ten years, so I didn't do a matrix.

CB—Exempt segregations?

PP—They're on page 7. In 2011 & 2014 we did 34 and 31, compared to last year when we did 36. Compared to the last three years when we did 16. County wide.

CB—You can do segs for a variety of reasons and don't mean they all are residential. Just have large lots available for sale over a period of time. But when you submit a building permit you have to prove water. Speaking of the Methow, people have expectations when they do that. It's a loophole.

AH—20 acres is a big chunk of property. Talking about rural character—20 acres is a big size. You're not cutting up the world with 20 acres.

CB—Also talk about minimum lot size when we talk about segregations.

AH—In the whole Methow, it's 5s and 20s. What else should there be?

CB—Another point to bring up—if you're doing an exempt segregation and the 20 acres limit apply, do it have to be processed as a plat. Maybe the landowner desires a short plat but on the other hand, 20 acres exempt, there you are.

AH—Personally, I'd rather see planned developments with all the houses close together and lots of open space for deer passage, etc.

CB—If we're issuing permits...

AH—Oh, I asked PP to send over the pdf for the river bank.

CB—We might consider going forward using a lower allocation for the water. Lower than 5000 gal/day with metered connections.

AH—I don't think we need to meter the connections. If you look at average—consumptive use is 710 gal/day on average. Look at the number of houses going in these days, a lot of them don't have yards. We did metering over there, but it shows it's less water going through the meters than we're saying. But

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the sample wasn't big enough to do scientific verification. Watershed Council is trying to get a good number. If we want to change from 710, we have to have a valid study.

AH—Right now we have enough water in 5 of 7 reaches to cover everything potential. So do we want to talk about metering houses?

CB—I just put it out there. There's been lots of litigation for a long time. I think the primary reason for meters is to satisfy those who argue we aren't managing the water appropriately.

AH—I'll discuss but there's not time today. What's the goal, and how will we get there?

PP—Last thing is prioritizing our workload. We've got list of things coming up. We need to know your priorities. There's the zoning code update, Critical Areas Ordinance (CAO), the advisory committees, the grading and clearing regulations, Tunk Basin water study, cannabis code update, shoreline periodic review—which is a DOE grant—and the permit database in line with the Riverbank soft wear and we're almost there. I've identified deadlines, other outside influences like the stipulation order, or other dates attached to them, grant deadlines. Some have funding identified.

AH—CAO—I say we contract that out. But we want to make sure we do what we have to do and what WDFW wants us to do. Zone code is different.

PP—I did a survey Monkey and sent it out. Put it out for 2-3 weeks, ending on Feb 4. Only 16 people so far, but we're hoping for more.

AH—We can extend the survey, too.

PP—What people are bringing up are cannabis and Methow water availability studies.

CB—We ended up with better access to the zoning map?

PP—I'll make sure it's easily accessible, but if you shrink it down to get it on one page.....

CB—Make do insets.

PP—With permit software, we'll be able to access zoning with parcel numbers.

PP—Camden is working on the other maps.

PP—That's all for today.

CB—One question. Do you have a list of your priorities?

PP—No. But I'll show the list to the Planning Commission tonight. And when we get more staff back, we can talk about it.

AH—Anybody have any more business?

LJ—Michael Beaman, the architect, sent me survey to send to each department. About the 20 year Master Plan. Somebody needs to make sure we get them back.

AH—I'll do it.

CB—Me, too.

LJ—I sent the list and survey to the BOCC.

AH—So Chris, can you send this out and tell them to send it back.

Adjourn until tomorrow morning at 9AM.