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2016 DEC 21 PM 1:28
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**MINUTES OF THE
SPECIAL MEETING OF THE
WASHINGTON COUNTY QUORUM COURT**

Tuesday, October 11, 2016
5:30 p.m.
Washington County Quorum Court Room

- 372.1 The Washington County Quorum Court met in special session on Tuesday, October 11, 2016. The meeting was called to order by Judge Marilyn Edwards. She stated the purpose of this meeting was to work on items pertaining to the 2017 budget process.
- 372.2 R. Dennis introduced Sally Armstrong, a 4-H member, who led the Quorum Court in prayer and in the Pledge of Allegiance.
- 372.3 MEMBERS PRESENT: Daniel Balls, Rick Cochran, Robert Dennis, Lisa Ecke, Ann Harbison, Tom Lundstrum, Eva Madison, Sue Madison, Joel Maxwell, Gary McHenry, Joe Patterson, Butch Pond, and Bill Ussey.
- 372.4 MEMBERS ABSENT: Harvey Bowman and Sharon Lloyd.
- 372.5 OTHERS PRESENT: County Judge Marilyn Edwards, Chief of Staff George Butler, County Attorney Steve Zega, Treasurer Bobby Hill, Comptroller Ashley Farber; Interested Citizens; and Members of the Press.
- 372.6 ADOPTION OF THE AGENDA: Judge Edwards asked if there were any additions or deletions to the agenda.
- 372.7 **A motion was made and seconded to adopt the agenda as presented. The motion passed unanimously by those present by voice vote. The agenda was adopted as presented.**
- 372.8 CITIZENS COMMENTS: Judge Edwards announced they were going to have their 15-minute citizen comments period with a three-minute limit for each individual at this time.
- 372.9 Hillary Drain, representing Strickland 4-H Club, addressed the Quorum Court stating that kids can start 4-H at the age of 5 and start earning scholarship money to attend any University of Arkansas program. She stated 4-H is not just about rural issues, but also very urban; they just do not know about it since the Extension Agents they are overtaxed. She noted one of her children is going to college for Veterinary Science. H. Drain stated that FFA does not offer these same opportunities, but it is all up to the individual schools and their teachers.

- 373.1 John Armstrong, concerned parent and grandparent of a young 4-Her, addressed the Quorum Court stating that the 2016 Extension Service fund designated to 4-H was \$52,500; \$30,000 for one agent and \$22,500 for an assistant. He noted that they have 523 4-H members in Washington County or \$100.38 per investment by the Quorum Court. He stated the Quorum Court designated funds for the Animal Shelter of \$690,039 with a projected intake of 2,088 animals or 1,566 as of October 7th for an investment of \$330.48 per animal. He stated that these numbers do not make a lot of sense to him. J. Armstrong stated that the Extension Service request for \$224,612, which \$59,500 would be devoted to support 4-H. Using that same enrollment cost per 4-H member the cost would only be \$113.77. He stated that the Animal Shelter budget of \$698,889 would be \$334.00 per animal. He stated he understands that animals are important, but they are putting more emphasis on animals than they are kids. He stated there are so many things out there that kids can get into and 4-H will keep them out of it.
- 373.2 Zoë Armstrong, a 15-year-old Sophomore at Fayetteville High School, addressed the Quorum Court stating that she is in her 7th year of 4-H. She stated over these 7 years she has gained and learned so many skills that have helped her and will continue to stay with her in her life. One thing she has benefited from most from 4-H is public speaking. She stated she is President of their Greenland 4-H Club, President of the Northwest Arkansas Sharpshooters Club, Co-Reporter of their County Council, and in High School, the Parliamentarian of their FFA Club. She stated without her 4-H experience, she would not have the confidence to stand before the Quorum Court and ask for assistance for Washington County 4-H. She noted that the past year has been difficult for them to operate without a 4-H agent. Other agents from the Extension Office have been stepping in and devoting their time to 4-H, when they have other programs to work on.
- 373.3 Gene Pharr, farmer from Lincoln, addressed the Quorum Court stating that he is there to speak on the road situation; however, 4-H is very important as it reaches all kids in the county, both rural and urban. He understands the shortage of agents to help with 4-H as most of the loss of kids has been in the Fayetteville and Springdale areas. He urged the court to consider giving the 4-H Club some help. Mr. Pharr stated that Washington County is the second largest producing agricultural county in the State of Arkansas. They need their rural roads and need to work as a team to make their Road Department better, and need to not be bickering back and forth for partisan purposes. He urged the court to support the Road Department and not to take money away from roads.

Minutes of the Special Meeting of the
Washington County Quorum Court
October 11, 2016
Page 3

- 374.1 Joe Fattis, rural resident of the County, addressed the Quorum Court thanking them for their service to the county. He stated he was raised on a farm and has nearly been a lifetime resident of this county. He complemented the County Road Department for the job that they have done not only on an everyday basis, but also during times of floods, ice and snow. He noted that he travels the back roads of the county every week as he operates a rural trash pickup service. He stated that for the most part, our roads are better than the other two counties he travels; however, there is always room for improvement. He would like to see more roads paved with asphalt, and believes the roads are too narrow for big trucks. Lastly, he stated that and there is never an end to the potholes no matter how good a job the graders do. He stated that county roads are not only important to him or other farmers, but they are important to mail carriers, repair companies, commuters that come into the cities to work. He stated if they want to continue to prosper in their county, they need to be vigilant in providing good roads and infrastructure for the whole county. He stated there are two things that are most important to rural county residents, and that is the Road Department and the Sheriff's Department. They need to support both by not just keeping status quo, but also providing funds for improvement as they go along.
- 374.2 Linda Helm, retired pharmacist with emphasis in geriatrics, addressed the Quorum Court stating the 4-H Program is not just for the children and animals, but also for the senior citizens. She noted that 4-H gives seniors an outlet to meet with younger people and gives kids something to do with their grandparents. It also keeps their minds active and keeps them out in the community.
- 374.3 Carl Holm, member of the NWA Sharpshooters, addressed the Quorum Court stating that the volunteer aspect of 4-H is important. He recalled after each meeting and on some weekends, they would pick up trash around the county to help keep the environment clean for a better tomorrow.
- 374.4 Judge Edwards thanked those present of all ages for attending their meeting.
- 374.5 Judge Edwards stated she had Attorney Steve Zega pull the Roberts Rules of Order and as this meeting could get very lengthy with their long agenda, she will ask that each member speak only twice to the same question.

- 375.1 DISCUSSION OF COUNTY MILLAGE RATES FOR 2016 AND THE DISTRIBUTION OF THE ONE-CENT COUNTY-WIDE SALES TAX: R. Cochran stated that they have kicked this subject forward in a couple of meetings due to time constraints; however, it is difficult to go forward in their budget process and not know what they are going to do with the millage or have as a goal for their reserve at the end of the process. He referred to a worksheet he created showing where they are in their current budget with beginning reserves around \$7 million. If they do not do anything to build up a reserve going forward, they will run out very quickly. He stated that they will have a census in 2020, and he expects that the county percentage is going to fall. Population has grown, but the rural portion of their county population between the last two censuses had only about 600 people difference and he expects that to stay the same. He stated the change in revenue for them in the shortfall year beginning in 2021 will be around \$1.2 million going forward each year. He stated if they start in 2017 at \$7 million and add 500,000 to that each year, by the year 2021 when they hit the shortfall year, they will be at a \$9 million reserve. He stated they are at a point now that they need to start thinking about how they are going to get there. He stated it is not that he wants to raise their millage, but wants them to be aware that if they do not do something with their reserve, they are setting themselves up for a real problem years down the road. He stated that he thinks the \$500,000 to \$750,000 range is probably very modest and if they raise the millage by .02 mills, then the increase would be \$719,000. This increase would be about \$2-\$3 to the average homeowner. He stated this little change is less than half of what they reduced a few years back and will put them in good shape going out to the next census. They cannot have any surprises or expensive burdens on their health insurance though. He cautioned that going with the least amount to increase the millage might not be the best way because there is always a surprise expense that comes up like the parking deck that needs to be resealed every five years at \$350,000.
- 375.2 R. Cochran stated that they need to have a long term plan at the end of this budget process, even though they cannot bind any future court to it. He stated he just wanted to bring the spread sheet to the Court, so they can see what the numbers do year to year. He noted that the year to year increases in sales and property tax revenues will be somewhere around \$600,000 to \$800,000 over the prior year. This would be adequate to cover reasonable salary increases for employees. He further noted that the future projects that he knows of would be an increase in road expense based on new information on the condition of some bridges, which comes

out of the road fund. He stated that his spreadsheet does not take into consideration any extra spending over what they are doing presently, other than salary increases going forward with normal growth.

- 376.1 E. Madison stated she had asked that discussion on the millage be combined with discussion about distribution of the countywide sales tax as she feels it is healthy to have it together. She referred to a memo from Chief of Staff George Butler about the distribution of sales tax which included a copy of the resolution from 1981. She stated nobody is talking about "raiding" anybody's money, but they are talking about a sales tax that the voters of this county dedicated for general un-earmarked revenue purposes, in 1981. She stated she wants to look at the needs of every county department and employee and come up with a realistic distribution of how they should use their general purpose tax dollars. She noted blind adherence to what was done in 1981 because that is the way they have always done it. She stated that they have learned that the way they have always done it can always be improved. She does not believe something they did 35 years ago is really relevant in 2016, and they should look at the current needs of the county, current needs of the Road Department, and every other part of the county and come to a proper decision.
- 376.2 E. Madison stated that in order to emphasize the options, she prepared two different resolutions. She pointed out the original resolution from 1981 was actually passed before the people voted to give them an idea of how the court might spend the money if people voted for the tax. It is very clear to be approximate and accounted for 100% of the dollars coming in. She addressed highlights of Resolution Option 1, stating that there was a special election held in 1981 because the state authorized them to pass a countywide sales tax. The voters approved the tax and they started collecting it in September 1981. She stated in 1981, it was estimated that the tax would generate \$1,260,000 a year. The court gave a breakdown in the resolution that 40% (\$540,000) would go to roads and bridges or \$504,000; 25% (\$315,000) would go to EMS services; 20% (\$252,000) would go to land acquisition, buildings and jail; 10% (\$126,000) would go to solid waste and rural fire; and 5% (\$63,000) would go for law enforcement. She stated the County Treasurer has projected for 2017 that the countywide sales tax will generate \$6,982,590. She noted they have been following the breakdown from 1981 only with respect to roads and bridges with 40% being dedicated to the road budget, which was projected to be \$2,793,036 for 2017. She stated their Treasurer has asked them to resolve this confusion as to how they are going to deal with this. She stated if they are

going to adhere to what the court did in 1981, then they need to adhere to the entire breakdown as set forth in Article 2 of Resolution 1 with 40% (\$2,793,036) going to Road; 25% (\$1,745,647.50) going to ambulance service; 10% (\$698,259) going to buildings & grounds; and 10% (\$698,259) going to jail; 5% (349,129.50) going to each environmental affairs, fire protection, and sheriff-enforcement.

- 377.1 E. Madison next addressed Resolution Option 2 and what has changed since 1981. She noted that if they take the \$504,000 that the court projected would go to roads and bridges and compare that to the almost \$2.8 million projected for 2017, then that is a 554% increase over the 1981 projection. According to the Bureau for Labor Statistics, the inflation rate from 1981 until today has been 165%, so \$504,000 in today's dollars would be roughly \$1.3 million or the amount they are overfunding that original purpose. She stated in addition, the 1981 sales tax resolution talked about the jail. What has changed since then is that they have a dedicated ¼ percent sales tax dedicated for the operation of the jail that is expected to bring in \$9.5 million next year. In addition, the voters approved a ½ cent sales tax dedicated to roads and transportation that is projected to bring in \$1.4 million for Washington County next year and must be used for roads and transportation.
- 377.2 Additionally, E. Madison stated that she did a lot of research on population shifts in Washington County. Since 1980, Washington County's overall population has grown by almost 125,000 people and only 7,000 of those people live in the unincorporated portions of the county. Clearly the growth in the county is in the cities. She reported in 1981, 31% of the County's population lived in the unincorporated part of the county and today less than 17% does. Thanks to the great work of their Assessor's Office, they found how much of the unincorporated part of the County has shrunk, because of annexation by cities. She reported that cities have annexed since 1980 more than 66,000 acres of the County's part or acres they no longer have to take care of.
- 377.3 E. Madison stated that those are tremendous shifts in Washington County. She is not saying the Road Department does not deserve part of this money, but she is saying that the sales tax from 1981 was a general purpose sales tax. They should view it that way, put it to the best and wisest use in any given year, and stop the blind adherence to one portion of a 35-year-old resolution.

Minutes of the Special Meeting of the
Washington County Quorum Court
October 11, 2016
Page 7

- 378.1 On the issue of the millage, E. Madison stated that 83% of the people live in our cities. If they are to talk about imposing a millage increase, then most of their constituents will pay that tax too when they already have higher tax rates by virtue of living in the cities. She stated they need to ask if it is fair to raise taxes for city and rural alike if their primary use for the money is going to be rural. She stated her district is entirely within the City of Fayetteville. She has to be very mindful of the fact that in the past year, the City of Fayetteville increased their millage by 1 mill to provide for increased law enforcement and fire protection and, Fayetteville's Library. She stated for the City of Fayetteville, they would be talking about adding onto what is already 4.7 mills.
- 378.2 E. Madison stated she thinks they need to be wise about this and assess each budget as it comes forward. They do not need to earmark funds, so that anybody comes into this budget cycle with priority. She stated that the Road Department has priority of the dedicated road millage and sales tax. The Jail has priority because the citizens dedicated a sales tax for jail operations; however, it should be up to all other departments to say they have a need and requirement. E. Madison stated her priority in this budget cycle is funding the employee raise that they have already passed, but she does not think they should fund a raise by millage increase. What happens in a few years when they want to give another good raise? She stated they are going to have to find a way to make county government work without continually raising taxes. She urged her fellow JPs to think long and hard about what has changed in 35 years. She questioned whether blind adherence to something from that long ago is what is best for the county, citizens and county employees.
- 378.3 A. Harbison stated that she completely disagrees with E. Madison on her projections. She stated that Fayetteville and Springdale get 80% of the 1 cent sales tax; the County gets 18%, of which 40% goes into roads. She stated people in the cities use county roads as arteries to get places. As second in agriculture in the State, Washington County has the opportunity to take this money and build some really good roads. She stated they have over twenty bridges that need to be replaced right now. Those 25 bridges have been designated by the state as needing repairs or replacement. She stated they need this money for the rural areas. To say that the cities do not get their share is false, because they do get their share, even on the millage. She noted right now on the 1.1 mills Fayetteville gets \$498,050 and Springdale gets \$330,922. She stated that to say cities are not getting their fair share is not correct because that money is distributed according to population. A. Harbison stated that they are going to need revenue for the

general fund, but they reduced the millage by .5 of a mill when maybe it should have only been reduced .25. She stated that they are at a crossroads, but should not raid the road fund which is exactly what E. Madison is proposing.

379.1 B. Pond stated he concurs with A. Harbison's comments and continues to be taken back when people on this court are so critical of Quorum Courts in the past. He noted with respect to the 25% of this sales tax going to ambulance service, questioning why they do not go by that anymore. He stated that because of mutual assistance agreements and emergency services, an ambulance does not run to the rural area without dispatch calling the volunteer fire department personnel and first responders though sometimes there is a deputy dispatched who will call back for first responders. He stated all of these folks work together as part of that emergency service that is all necessary for them to have adequate ambulance service. B. Pond stated he is going to uphold and compliment what this court has done through the years. They did the best they possibly could to adhere to this projection made out by resolution instead of ordinance for the courts to comply with how this 1 cent sales tax should be distributed. He questioned what they will do if they do not give the roads this money, because they are getting temporary money elsewhere. What do they do when they come back later and this money has already been used for other things? They will have to come back to the voters and ask for another 25 cents, because the roads are falling apart and it is directly affecting small businesses in towns and cities. He stated the people who voted for this one cent sales tax may have forgotten what they voted for, but he has not. He remembers that they saw the need for it and should continue to uphold what the voters voted for. He noted that all people who voted for this tax do not live in the rural areas, but people living in town know the value of those roads coming into town.

379.2 S. Madison stated every two years the county gets a new Quorum Court and one court does not tell another court what to do. She stated they were elected to use their best judgment with guidance from the citizens about what the county needs. She stated this was the formula that the court back in 1981 thought would be best for getting the tax passed for the benefit of the citizens. She noted she was on the court ten years later in 199,1 and remembers it was hotly debated over and over again about this 25% for ambulance and what it really meant; whether it meant that they would always give 25% or that they would always give \$315,000 which was less than 25%. It was decided that the ambulance service did not really need 25%, they meant \$315,000, so right away there started to be deviation from

Minutes of the Special Meeting of the
Washington County Quorum Court
October 11, 2016
Page 9

the original presentation to the voters. S. Madison stated that this resolution and one Quorum Court does not bind a future Quorum Court and it is in the best interest of the citizens of the county that that this court today make the decision about how this money is best spent for the people of Washington County. She noted that a greater percentage of rural people use the city streets than the other way around. There are some rural people that call her wanting to be sure their road never gets paved, and she tells them that is not her decision. She stated some people move to the country so it will look like the country.

- 380.1 J. Patterson stated that in 2008, the rural fire department made it from Nob Hill to his house, which is 3 miles in 4½ minutes. More recently, the ambulance service made it to his house between 7 and 8 minutes, so they have good service. He stated that there are three things that they need to consider. When he came on the court there were two deputies patrolling Washington County in the middle of the night and now there is six. He stated he worked in a limited degree on the ambulance service for about 8 years and believes it is as good as it can get. He stated that roads are the kicker, noting that when he came on the court they had 1,280 miles of road that they maintained and now they run about 990 miles. When this happens they lose their good roads because they are right up to the cities. He stated that in his district they now have all of these housing additions. When these secondary roads become the primary roads getting into the cities and they annex again, they start over the same process. He stated whatever they do, they need to be careful, because fire and ambulance is really important.
- 380.2 T. Lundstrum stated the way he understands E. Madison's proposal, is that she is not talking about taking money away from anybody. He stated they have \$621,000 projected in the ambulance budget for 2017, which is quite a bit more than the original resolution. The point of the Quorum Court is to put the money in the general fund and decide who gets that money. He stated if the Road Department or Ambulance Service needs more money and it is there, they give them more money; however, they can only give what money they have and not what they hope they have. The Road Department already has a road millage that they get. There is already the sales tax for the jail that they get, although it is short now of supporting the jail. It should have probably been ½ cent tax when passed originally and they would be in wonderful shape yet today. T. Lundstrum stated he remembers when there was only a one cent sales tax and now there are some cities with 10 almost 11 cents sales tax. He stated they are one of the highest taxed states in the United States, both state and local. He

stated it is getting harder and harder to ask people for more sales and property taxes. His family owns some commercial property and what they end up doing is renting property from the government because if you do not pay those taxes, they will come and get the property. He does not like this, but they do need the taxes to support their society. His experience in government is that everybody always wants more.

381.1 County Attorney Steve Zega stated with regard to the millage, the court is required by law to set the millages in an ordinance by the November Regular Quorum Court meeting for next year's millages.

381.2 Judge Edwards further noted that they are allowed to have a total of three mills for the road and a total of five mills for general, stating because they have been very thrifty, they currently have 1.1 mills for the road and 3.9 mills for general. She stated she knows many are very irritated with the State, but she can assure them when she goes to the State trying to get money for Northwest Arkansas, they question why they should give us anything if we do not carry our own load.

381.3 J. Maxwell stated that when it comes to property taxes in Arkansas, the median property tax is \$532. In Washington County, the median tax is \$919 and there is not much difference between Benton, Pulaski and Washington County from one year to the next. When it comes to Arkansas in general looking at a compilation of sales and property taxes combined, Arkansas is the second highest taxed state in the nation, second to Tennessee by a little bit and way ahead of Louisiana, which is third. He stated he takes the decision about levying more taxes on anybody very seriously. He stated they have heard from several people about their County Extension Office and agricultural production; it occurs to him that everybody involved in agriculture will pay the increased millage, but not everybody involved in commerce will be part of that extra millage unless they own property. He stated he is very careful for his constituents about taking on the role of giving them a higher tax burden.

381.4 J. Maxwell stated several things have been said about city versus county. He recently bought something that cost \$1 in the City of Fayetteville in food and beverage and his tax was 11.75%. He did not realize it was so high, but what he liked about that is that the citizens of Fayetteville decided they wanted to pay that much on several fronts. He noted their recent vote for an additional 2.7 mills to fund their library. He stated they sometimes approach this as if they need more money, they should just ask for more; or if they need more money it should be in the form of a property tax where

only a certain group of people that own property pay. He noted it may look like property owners have a lot, but they are paying a lot of taxes to have that property. He stated they need to be careful to make accurate assessments about how wealthy people are just because they have access to buildings and property. He stated that assessing a tax against that is essentially putting a burden on people running small businesses and farms, etc., which concerns him.

- 382.1 J. Maxwell stated he looked at what E. Madison is referencing in the options and what 1/8th or 1/16th of a cent sales tax brings in which is about \$872,000 and 436,000 a year, respectively. He stated if the citizens of Washington County chose to pay extra sales tax like the citizens of Fayetteville recently did, he has no problem with that. However, he has a lot of caution about levying additional monies on people who are already paying the second highest state sales tax and second highest median property taxes.
- 382.2 B. Pond referred to the road millage, stating that Washington County roads do not receive a large amount of that millage, but the Cities of Fayetteville and Springdale receive 80%, while the smaller towns receive half of that millage and the other half goes to the County. He stated that even though county people own a lot of agricultural land and have confined animal facilities, there was a considerable amount more they have to pay in property tax. He stated if that is what it took to just maintain the roads in the shape they are now, he would be willing to put ½ mill back in place, let alone the improvements that are badly needed on some roads.
- 382.3 L. Ecke stated in thinking about this listening to R. Dennis and J. Maxwell talking about the mills versus sales tax, she does not like sales tax, because it hurts lower-income people. She stated that a flat tax is fair to everybody. If they were able to do a sales tax, however minute that may be, then everybody would end up sharing the burden of the tax and contributing. She stated the millage does seem lopsided, because it hits the small business owner and independent farmer. She stated it is her choice to pay the sales tax. She stated she supports their Road Department and believes that Charles Ward and Brad Phillips are doing a great job. She stated they need to look at all options brought forward and continue the discussion, urging citizens to give their input as well, because they are listening and trying to do what is right for this county.
- 382.4 B. Ussery stated that the millage really affects a few people. Part of the reason they are where they are today is because Washington County has grown dramatically, and many people coming in are living in apartments.

The county does not receive the same from them as they do from those living in single-family dwellings. He stated he is not really sure that a millage increase at this time would establish what they are trying to do.

- 383.1 A. Harbison stated that the 990 miles of county roads that J. Patterson stated they had does not include residential drives, which there are many miles of that the county does not maintain, but grades twice a year. She stated that when they have 15-20 houses on these roads, the roads need to be brought up to standards and turned over to the county to maintain. She stated that would cost a huge amount of money, but these people do pay taxes also. She further stated that this court cannot increase or decrease sales tax as this is left up to the people. She stated they do have control over the millage. When they reduced the millage 5/10th of a mill, it took them five years to make up and get back up to the level of funding they had after that 5/10th of a mill and the census. She stated it is not quite right to say the 5/10th, but they went from 22% to 18% on the sales tax, because of population shifts. She stated because population in the cities are greater, they are getting more money. She stated they need to take care of their rural roads and taking that 40% out of the rural roads and putting it into general is not fair to the rural people of the county who have many needs. She further stated it is not fair to the incoming County Judge to do this, because the history of this court in the last two years when people have come in and asked for money back, this court has been very harsh on them. It was to the point that county employees do not want to ask for additional money out of fear of being cross examined like common criminals.
- 383.2 **Judge Edwards called for a point of order and asked that A. Harbison keep her comments to county roads.**
- 383.3 A. Harbison stated county roads are important. She does not think anyone on this court has considered the number of residential drives they have in the county and the importance of bringing them up to standard. She stated some of these county roads are nearly impassable to fire trucks and ambulances without damaging the vehicles. This recently happened in her district. She stated that city people are getting their money, because of the percentage increase.
- 383.4 R. Cochran stated in the year 2000, they were at the maximum allowed of 5 mills. In 2008, they were at 4.4 mills, and in 2011 they went to 3.9 mills. He stated they have shown that they can reduce taxes for their constituents and they have continued to provide services at a level that is acceptable to the county through an enormous growth period in the last 17 years. He

complimented management and elected officials in Washington County for being able to do everything they have done with less percentage of the public's money, which also contributes to their growth. He stated he is not in favor of raising taxes, but that may be what they need to do. He stated that he thinks they can do a great job by knowing where they need to be a few years down the road, and what they need to do for the current year's upcoming budget. He stated he is glad to be part of this body and be able to help do the right thing for the citizens of Washington County and their employees.

- 384.1 Judge Edwards stated she does not like the sound of "raising" taxes, because it would be "reinstating" the taxes they already had.
- 384.2 R. Cochran responded to Judge Edwards that they have been able to draw down the reserve from a very high number in 2011. They were looking at a way to try to give the money back. He stated that reducing the property tax millage was the way they chose to do it. They have it down to a manageable level and possibly dangerously low. He is concerned about their next census which is why he brought up this topic.
- 384.3 E. Madison stated maybe their Road Department is in need of much more funds because, they are grading private driveways. Maybe they should consider whether residential driveways are the best use of their resources.
- 384.4 **E. Madison made a motion to close debate on this issue. T. Lundstrum seconded. The motion passed unanimously by those present by voice vote. The debate on this issue was closed.**
- 384.5 In response to E. Madison's comments, Judge Edwards stated the county does not grade private drives; they grade residential drives twice a year if the people request it. This is the way it has always been.
- 384.6 Judge Edwards reiterated that the Quorum Court has to set the millages by the Quorum Court meeting in November.
- 384.7 In response to E. Madison's question, County Attorney Steve Zega stated by statute, the ordinance setting 2017 millage rates, including the county's millage, has to be voted on at the November Regular Quorum Court meeting.

- 385.1 Executive Assistant Karen Beeks stated the Quorum Court needs to make the motion telling her what to put in the millage ordinance that goes out in the packets the week before the November Regular Quorum Court meeting.
- 385.2 REVIEW OF 2017 BUDGET REQUESTS:
- 385.3 7A - BUILDINGS & GROUNDS MAINTENANCE BUDGET - Ron Wood, Buildings & Grounds Superintendent, addressed the Quorum Court stating that additions to his budget this year include projects on the parking deck, the Old Courthouse, and water sealing the Jail. He noted on their general budget, they moved some money around in their line items with extra money to those that were short last year. He stated the total amount of his budget, other than the additions, is basically the same as last year. He stated that the quote for sealing the Courthouse parking deck was \$305,000 in repairs and maintenance with half of in line item 2020 for materials and the half is the cost of labor line item 3009. He stated the Historical Courthouse quote is \$65,000 with half of cost in line item 2021 for materials and half in line item 3009 for labor.
- 385.4 In response to a question from Judge Edwards, Ron Woods reported that the Health Department's cooler is gone, and they are probably looking at somewhere between \$40,000 and \$60,000 to replace it. He noted that the current cooler was installed in 1996. He further explained that the "chiller" takes the heat out of their HVAC water source air conditioning, and heats the water for their heat.
- 385.5 In response to a question from R. Cochran, R. Woods stated that the cost for the water sealing at the County Jail is in a different budget. He asked about money in his current budget, and R. Woods responded that there is some money set aside for some other things and they may be able to move some of that around. He is not sure how much it will cost yet. R. Cochran stated he recalls the last time they did this was about four years ago. It was around \$65,000; to which R. Woods responded that it was in the Courthouse and cost \$85,000. R. Woods stated that he will come back if he needs to; to which R. Cochran stated he has the numbers to move around, but then it hampers him going into the rest of the year. If there is no urgent need for an infusion, they can do that later.
- 385.6 R. Cochran stated overall the Buildings & Grounds budget looks pretty good, though he has some large items that are one time every five years or so.

- 386.1 **R. Cochran made a motion to approve the Buildings & Grounds budget. R. Dennis seconded.**
- 386.2 **With no further discussion, Judge Edwards called for a vote on the motion to approve the budget.**
- 386.3 **VOTING FOR: L. Ecke, A. Harbison, T. Lundstrum, E. Madison, S. Madison, J. Maxwell, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, R. Cochran, and R. Dennis. **The motion passed unanimously by those present. The 2017 Buildings & Grounds budget was approved.****
- 386.4 **7B - JAIL-MAINTENANCE BUDGET - Ron Woods, County Buildings & Grounds Superintendent, addressed the Quorum Court stating they took some money out of the Jail-Maintenance budget and reduced it because of the lighting projects they did last year that are finished. He stated that it has been almost six years, since they painted the Jail ceilings to keep them sealed and that cost of \$849,000 raises this budget by \$74,500 from last year's numbers.**
- 386.5 T. Lundstrum inquired about line item 3060 and why he has \$210,000 two years in a row; to which R. Woods responded that is for utilities.
- 386.6 B. Ussery stated obviously the difference in this is not the \$149,000 and he appreciates R. Woods looking to where he could trim this budget down.
- 386.7 **R. Cochran made a motion to approve the Jail-Maintenance budget. A. Harbison seconded.**
- 386.8 **With no further discussion, Judge Edwards called for a vote on the motion to approve the budget.**
- 386.9 **VOTING FOR: L. Ecke, A. Harbison, T. Lundstrum, E. Madison, S. Madison, J. Maxwell, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, R. Cochran, and R. Dennis. **The motion passed unanimously by those present. The 2017 Jail Maintenance budget was approved.****
- 386.10 **A 5-minute recess was taken at this time.**
- 386.11 **7C - GENERAL SERVICES BUDGET - Ashley Farber, Comptroller, addressed the Quorum Court stating that she is requesting a permanent part-time employee for their inventory process that they started this year. She noted that she came before them earlier this year and asked to transfer**

money from the Comptroller's Department to General Services for part-time salaries they were not using. She stated they inventory 40 county departments and out of those 40, they have already completed 26; however, out of the 26, their current part-time employee has done 12 departments, since hired in August. She stated the total cost that would be budgeted is \$12,763 which is the only increase in the General Services budget, and of that money \$4,859 is what they typically budget for a part-time employee for the Comptroller's budget. Therefore, she is only asking for new budget money of \$7,904.

- 387.1 E. Madison stated she has heard from some county offices that they are having measure desks and chairs for this inventory, and she cannot understand how this would be necessary information.
- 387.2 A. Farber responded to E. Madison stated that they are starting to record all of this information, so if they are ever in a disaster, they can recover those items and the insurance company can replace what the cost value is on what they have. She explained that they do have a blanket policy, but from what she understands from their current risk manager, if they had lost the Courthouse in some kind of disaster their policy would not be able to actually replace everything they had. Further, she stated there is a code that they are following for inventory purposes. A. Farber stated that the various departments have been wonderful in making these returns. Now their part-time employee is going through each department, and putting a sticker on everything, and logging it into their computer. This will help with any theft or other loss in the future. She stated they are covering all grounds and this is a lot of work, noting that they only have two employees in their Purchasing Department.
- 387.3 R. Cochran stated the process of doing this is huge to begin with and asked looking down the road if she expects to continue to need this level of part-time support.
- 387.4 A. Farber responded that she believes so, but this is something they will need to reevaluate. She stated she currently looks at it that this is something that needs to be done by the end of the year. Then they will start a new year, which means updated inventory. She stated that it will not have to be as detailed, because they will already have a lot logged; however, they will still have to go through and check the list off.
- 387.5 R. Cochran questioned whether it would be wise to just log in new equipment at the time it was received and placed into the department; to

which A. Farber agreed. He further stated if the equipment moves to another location, they can make those notations as it happens. A. Farber stated that they currently do that, but they also need to keep in mind there are several elected officials and department heads that are trying to work together as one. It can be very difficult to keep track.

- 388.1 **R. Cochran made a motion to approve the General Services budget. A. Harbison seconded.**
- 388.2 **Judge Edwards called for a vote on the motion to approve the budget.**
- 388.3 **VOTING FOR: L. Ecke, A. Harbison, T. Lundstrum, E. Madison, S. Madison, J. Maxwell, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, R. Cochran, and R. Dennis. The motion passed unanimously by those present. The 2017 General Services budget was approved.**
- 388.4 **7D - ENVIRONMENTAL AFFAIRS BUDGET - Michele Viney, Director of Environmental Affairs, addressed the Quorum Court stating she provided by email last week a justification that went line by line over the proposed increases to her budget. She stated she is not asking for a capital request this year, but has increased a few line items. She addressed the line item medication and drugs that has a \$1,000 increase, but was something that had not been budgeted in previous years. She explained in the past they have purchased First Aid kits out of their general supplies money and, wanted to break that out separately for tracking purposes. She stated she is looking into a subscription service used by some other county departments where a company, R2K Enterprises, installs the kits and does inventory on them quarterly. She stated this would prevent them from having kits that are outdated with expired products. She is particularly concerned about having one of these kits installed at their Household Hazardous Waste (HHW) building due to the high volume of traffic in that building. She stated installation of the first kit is around \$300, and then there would be a quarterly inventory check.**
- 388.5 In response to a question from Judge Edwards, M. Viney stated she is unsure whether the Sheriff's Department uses this service, but the Road Department does.
- 388.6 M. Viney stated in that estimate, she has also included vehicle kits that are quite a bit smaller. They would stock from the large kit that goes in the HHW building to update inventory between visits from the service. She noted this is really important to have adequate First Aid kits for employees

out for rural recycling drives, grapple truck picking up illegally dumped material on the roadsides, etc.

- 389.1 **A. Harbison made a motion to approve the Environmental Affairs budget. R. Cochran seconded.**
- 389.2 **Judge Edwards called for a vote on the motion to approve the budget.**
- 389.3 **VOTING FOR: L. Ecke, A. Harbison, T. Lundstrum, E. Madison, S. Madison, J. Maxwell, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, R. Cochran, and R. Dennis. The motion passed unanimously by those present. The 2017 Environmental Affairs budget was approved.**
- 389.4 **7E - PLANNING BUDGET - Juliet Richey, County Planning Director, addressed the Quorum Court stating that County Planning and the Road Department are making a position request jointly and distributed information with the details. In regard to her budget in general, she stated she sent justification letters and noted she is trying to keep her budget pretty much the same in regard to operation; however, is asking for a \$3,400 increase in her engineering budget. She explained the county has a contract engineer who helps the Planning Department with plan review and development. As the economy has picked up, they have had more projects requiring more review. She noted they are reimbursed for some of that, explaining they pay for the first hour of review for each project and then they are reimbursed after that, which funds are placed back into general.**
- 389.5 J. Richey stated her budget has several variables based on the quantity and types of projects submitted which makes exact budgeting a little hard. She stated they cut down some costs last year by going more and more paperless, cutting down on copying and printing costs. She also has lower postage costs due to the huge packets they used to mail out. However, they still mail out notifications to surrounding property owners for developments and those costs increase on larger projects.
- 389.6 J. Richey addressed the Road and Planning Departments GIS mapping position request stating as the County and region continue to grow, the work load on County Planners has continued to increase. With the level of customer service that they maintain and the public expects is very high. She stated the Planning Office has traditionally done all mapping including all of their own, some for the Road Department as well as other county offices, public requests, maps for any Quorum Court meetings, and those

- hanging in the Courthouse. In order to maintain this level of service, Geographic Information System (GIS) mapping is a tool that they rely on daily as it allows for more accurate information and reduces human error when compiling large lists of information. She explained GIS as each map created has a customizable database of information behind it; all layers are geo-referenced and all information in the database behind each layer is displayable and able to be queried and geo-referenced.
- 390.1 J. Richey stated in order to provide the best information, maintain the best GIS data, and efficiently process requests, the GIS mapper needs to use the program daily, receive periodic training, and be able to dedicate real time to the organization of data. She explained in the past few years, the Road Department has invested in the creation of a digital Road Department database application, built with the ability to link to the County's GIS mapping system and County roads condition study with a large amount of digital information that could be linked in as well. She stated the investment in these projects and the ongoing need to transition from paper to digital record keeping in order to increase efficiency and planning in the future are key reasons why the Road and Planning Departments are requesting the GIS Mapping position.
- 390.2 J. Richey stated with the amount of projects they have and to maintain the customer service and quality of their mapping, they really need a part-time person. She felt like it made a lot of sense to share a person and funding between the departments. J. Richey reported this position was just approved by JESAP, and the final number would increase both of their budgets by \$929 in personal services.
- 390.3 L. Ecke stated this is very exciting and an amazing tool that they will have at their disposal for both the Planning and Road Departments. She stated what interests her for the Road Department was the signage inventory as there has been recent concerns over outdated signage posted and this would help correct that.
- 390.4 **L. Ecke made a motion to approve the Planning Department budget. R. Dennis seconded.**
- 390.5 R. Cochran stated he feels they need to amend this budget to reduce the \$929 for JESAP from the department total. He inquired of County Attorney Zega whether they had something in their budget controls or another ordinance that says they cannot share employees; in order to do this, it has to be addressed in a separate ordinance.

- 391.1 County Attorney Steve Zega responded that the court has not passed this year's budget controls and R. Cochran asked him to draft the appropriate ordinance if necessary.
- 391.2 Comptroller A. Farber stated that they do currently share employees between departments and what their budget controls state is that they do not have departments purchasing supplies and other costs with other departments.
- 391.3 **L. Ecke agreed to accept R. Cochran's motion to reduce the Planning Department budget by \$929 as a friendly amendment to her motion.**
- 391.4 B. Ussery referred to J. Richey's statement that the engineering and architectural charges that come back goes into the general fund, and inquired about the bottom line affect.
- 391.5 J. Richey stated she usually takes in around \$18,000 in fees every year and that goes into the general fund every year. Theoretically, what they get back should go up.
- 391.6 **Judge Edwards called for a vote on the motion to approve the budget less \$929.**
- 391.7 **VOTING FOR: L. Ecke, A. Harbison, T. Lundstrum, E. Madison, S. Madison, J. Maxwell, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, R. Cochran, and R. Dennis. The motion passed unanimously by those present. The 2017 Planning budget minus \$929 was approved.**
- 391.8 Judge Edwards stated that the County Planning Office and Juliet Richey have come so far and commended her for the good job.
- 391.9 **7F - ROAD BUDGET** - Road Superintendent Charles Ward and Assistant Superintendent Brad Phillips addressed the Quorum Court and distributed a 2017 Project List for planned road projects. B. Phillips stated that the new construction for 2017 includes general road maintenance on Hazel Valley Road, Winfrey Valley, Stout Mountain, and Billings Road where they will take these county dirt roads and bring them up to where they are supposed to be as dirt roads and getting the drainage right. He noted that 1 mile of Campbell Loop Road was already in the plan with chip seal on ½ of loop. B. Phillips stated with regard to State Aid projects, Campbell Loop Road is proving to be an issue this year, due to the quarry opening state projects. The road conditions went down considerably, and they are looking to

putting their state aid money into that road to bring it up to good condition. He stated there is a lot of heavy truck traffic and residents having issues maintaining and traveling the road.

- 392.1 C. Ward stated that with bridge projects, they are planning to rebuild Orr Bridge and the Barren Creek Bridge on CR15. Replacement of both of these bridges is part of the budget increase for 2017.
- 392.2 B. Phillips stated with regard to their re-seal, chip seal list, they attempt to do 60 miles a year and generally do a good job. However, this year their chipper has had many issues. They have sent it out for repair, but get it back not repaired; bring people in to work on it, but they still cannot figure out the problem.
- 392.3 In response to a question from E. Madison about the Orr and Barren Creek Bridges, C. Ward stated that they are expansion bridges. Their plans for these are to contract out the Orr Bridge and do the work on Barren Creek Bridge themselves. She asked about how priority was determined for the reseal/chip seal list; to which C. Ward explained they have a 7-year maintenance program. He stated that they went out initially and inventoried all of their chip seal pavement roads. They are prioritized by which roads are in critical condition, which roads are in need of repair, and which roads are in good condition where they can push a little longer than 7 years.
- 392.4 B. Phillips added that this goes along with the GIS mapping where they have a video camera on a car that drives down every paved county road. This will help them determine which roads are in the most need. This information is entered into the GIS mapping, and along with the plan they have now, it will make better sense as to where their money is being spent.
- 392.5 E. Madison asked if they had done any cost analysis to find out what the cost of rebuilding the Orr Bridge will be; to which C. Ward responded that it is going to be close to the same length of their Stonewall Bridge. They have a general idea and their engineer is doing a cost analysis which will help them figure out exactly how much it will be; however, are pretty positive it will be close to the cost of the Stonewall Bridge.
- 392.6 J. Maxwell stated he has received a lot of questions from constituents on rural roads. Being able to help them understand what they are working on, what they are going to do with certain roads and what they will be doing in the future will be helpful to report to citizens. With respect to general road

maintenance, he asked about an estimate on that cost per mile as well as the re-chip and seal projects cost roughly per mile.

- 393.1 B. Phillips responded to J. Maxwell stating that the cost for each of the general maintenance roads will vary so he does not have that number. He stated it depends on the width of the road, how much right-of-way they have, how much fill it will need, and how long it has been without general maintenance other than just grading. As far as the chip seal, he stated there is a formula they use for how much oil per mile, but they did not bring that to this meeting. However, he found one from last year for one mile of resurfacing existing chip & seal at the cost of \$9,843.96 to do 9/10th of a mile. He noted that this can change with the oil prices as well. He explained with their new chip and seal, they put a layer down and then come back and apply another layer, so the cost would be approximately double.
- 393.2 B. Phillips stated another big expense in the Road Department budget this year is they have a great need to upgrade some equipment/machinery. He reported they have several pieces of equipment that is 40 years old. He feels that they have done a great job trying to keep them going, but at some point they have to decide whether it is worth trying to keep in service. He stated one major cost will be for the chip machine as they have a season for chip/seal that is roughly 4-½ months to do 60 miles of road, which takes a great deal of effort to complete. If your chip machine is down, then that sets them back. They lose a lot of time. Further, they cannot control the weather and already have delays related thereto.
- 393.3 Judge Edwards added that October 15th is when they usually need to discontinue putting asphalt over chip and seal. She noted some roads were done after that date last year, and they had to return and resurface all of them due to cracking.
- 393.4 In response to question from L. Ecke, B. Phillips stated that their chip machine is a 1997 model. He further stated if equipment is purchased new, most of the time there is full service warranty for 3-4 years unless they buy an extended warranty which only covers specific powertrain issues. He stated they have employed the company who produces the machine 2-3 times and it is a ghost problem that they cannot seem to figure out. He noted up until this last year, they have not had any trouble with the machine.
- 393.5 He reported that chip machines are relatively expensive and it would cost around \$300,000 to replace that machine. The longevity of such a machine should be upwards of 25 years.

Minutes of the Special Meeting of the
Washington County Quorum Court
October 11, 2016
Page 23

- 394.1 R. Dennis stated that he is not sure of the difference between paving and chip and seal except probably cost. He inquired whether anyone has done cost accounting on if they pave versus chip and seal.
- 394.2 B. Phillips responded to R. Dennis that paving would be more than double the cost of chip and seal. On a ½ mile of road, they would be talking about \$50,000 to put asphalt down compared to \$18,000 to \$20,000 on chip seal. With regard to the difference between general maintenance on each type of road, B. Phillips stated it depended on the traffic, but he does not believe that there would be that much of a difference in maintenance to warrant using asphalt, which would require work every 7 years.
- 394.3 B. Phillips stated that they made a complete list of equipment and machinery at the Road Department that the court will have a general idea how old things are. He stated one of the reasons that they are asking for extra money is they had 5 of these pieces of equipment that are over 48 years old, 9 pieces of equipment over 40 years old; 26 pieces of equipment between 27 and 37 years old; 41 pieces of equipment between 20 and 26 years old; 41 pieces of equipment between 13 and 19 years old; 31 pieces of equipment between 13 and 8 years old; 41 pieces of equipment between 8 and 3 years old; and 7 pieces of equipment within 3 years old.
- 394.4 S. Madison noted they are asking for \$650,000 under equipment which includes the \$300,000 for a chip machine and inquired about the balance; to which B. Phillips responded that they are also looking to purchase a bridge inspection truck to do their inspections on existing bridges where they can be under the bridge without physically having to be in the stream or river. He further stated that \$90,000 shown for vehicles would buy four double cab pickups to be replacements and a couple of those are not in operation currently. He stated that the vehicles that they will replace will either be salvaged or traded in. Unfortunately, the companies are not interested in taking them in on trade. He did state that they would have some value to sell as scrap metal and believes that you can get \$300 for a vehicle currently. S. Madison stated that she is trying to figure out if the salvage trade-in values are reflected in the budget; to which B. Phillips stated they were not reflected in the \$90,000.
- 394.5 In further response to S. Madison's questions, B. Phillips stated that these pickups could possibly be going home with individuals at night. She verified that they were still restricting county vehicles taken home at night to remain in Washington County. There is an exception of one county vehicle that goes outside the county with a mechanic with somewhere around

- \$80,000 to \$100,000 of his own personal tools that he needs to have access to. It was further mentioned that all of their mechanics provide their own tools, both in trucks and at the shop. He believes their insurance covers that, but is not 100% sure.
- 395.1 S. Madison asked if there were currently any women hired at the Road Department outside of the office; to which B. Phillips responded that they just hired one last week as an HEO. She will be put in the Sign Crew until she obtains her CDL, but is not yet on the payroll.
- 395.2 R. Cochran noted a bright spot in the Road Department budget, commending them on \$50,000 for a \$2 million bridge in West Fork noting that the State is paying for the majority.
- 395.3 B. Pond commended C. Ward and B. Phillips on their decision to replace the chip & seal machine that distributes the chips onto the oil. He noted that this was the first year they have had much trouble with the old machine and hours lost when a machine breaks down. In response to his question of how many people are involved in the chip and seal process, B. Phillips stated with the truck drivers, ground crew flagging, and guys working the chips and operators, there are around 15 crew members involved. It was pointed out that when a machine breaks down, they are waiting for the machine to be fixed between 10 minutes to 10 hours, or until they find something else for them to do. B. Pond stated that is the real picture of the hours lost and not just miles of road. When they have frequent breakdowns, it becomes part of a weekly routine. He noted the amount of money for the new machine compared to the number of man hours lost when the old machine is broke down. It is not a lot of money to go ahead and replace the machine. He stated when you look at the number of miles, tax dollars, man hours, etc., there is a lot of time invested in the plan to pave these roads. He appreciates what they are doing.
- 395.4 E. Madison stated she knows that they are not talking about the ½ cent sales tax, but she cannot help but notice that there is quite a bit of capital expenditures to be spent in one year. She stated they have almost \$800,000 in the general budget and another almost \$500,000 in the ½ cent sales tax, inquiring as to what that equipment is.
- 395.5 B. Phillips responded to E. Madison that there are two different trucks for the bridge crew, one for hauling equipment and materials, which is on the other budget. The arm truck is actually on the ½ cent sales tax budget, and they believe it will cost them \$200,000. He stated the other piece of

equipment is vehicles requested which will fall under dump trucks again, and addressed pictures of the dump trucks they are replacing. He further noted they have had people come and look at their old dump trucks who do not want them and he is unsure of what they can get for salvage at this time.

- 396.1 E. Madison stated she is pleased with having the project list this year, though they might want to have menus to budgeting on that basis. It would be nice to see project-based budgeting, because they do not know how much any of those projects cost. She stated her overall concern is that the Road Department's general budget is increasing by \$1 million from last year, though some of that are the salaries that they have already increased. Then their ½ cent sales tax budget is increasing by \$600,000 which is a \$1.6 million increase in their budget. She stated based on what she hears about the way things have gone this year, she is really worried that this is too ambitious. They have to figure out a way to pay for raises that they have already passed and there is not money to do an additional \$1.6 million on top of what the Road Department got last year. She stated Bobby Hill has helped her understand that their ½ cent sales tax fund is projected to have \$1.4 million in it and they have budgeted close to that. She was curious about the holdback and B. Hill explained that they do not have to do a holdback from that tax, so they are budgeting all of it. She stated in past years they have done a holdback to give themselves a little cushion, because a projection is just a projection, but the Road Department is opting to budget that this year with really no cushion. E. Madison further noted with respect to the overall budget, the revenue projections are post holdback, because those are ones that come in. She stated right now without some resolution to the sales tax distribution issue, 40% of the general fund sales tax is going into the Road Department fund. It is showing projected revenue less the ½ cent sales tax of almost \$10.5 million, because they are putting almost \$3 million in it from the sales tax. She stated she thinks the projects are great, but are too ambitious and this is a lot of equipment to replace all at once. Further, she stated with the new County Judge coming in in January, she does not know what they will want to do with the Road Department plans. There is just a lot of uncertainty to be this bold in budgeting for the Road Department right now.
- 396.2 B. Phillips responded to E. Madison stating that they understand it is totally the decision of the Quorum Court, but they are just trying to advise on some things that are in dire need of replacement at the Road Department. He stated they are not just holding money to be holding it or trying to spend it where it is not needed. He stated he wants the court to understand what

they are working with so when they get the complaints about how they cannot take care of the roads, they know some of the reasons.

- 397.1 E. Madison stated she thinks they need to give this budget a lot of serious consideration before passing it on.
- 397.2 B. Pond reminded the court and citizens of the county that it has been 3-4 years since they were able to do any capital expenditures to replace any equipment. How many more years can they go without replacing worn out equipment? He reiterated that they will spend \$100 to save \$1, because they are not providing adequate equipment for their employees to do the job they have been hired to do. He stated they created a good part of this crunch by reducing the millage by .5 mill.
- 397.3 A. Harbison stated this is an aggressive road plan and budget. They have the money to do it and need to do it, along with employee raises. They need to restore some of the millage. She noted that since she has been on the court, the millage has been cut .7 of a mill. She stated that they need to find money for the raises, but it does not need to come out of the Road Department.
- 397.4 **A. Harbison made a motion to approve the County Road budget. B. Pond seconded.**
- 397.5 **Judge Edwards called for a vote on the motion to approve the budget.**
- 397.6 **VOTING FOR: L. Ecke, A. Harbison, J. Maxwell, G. McHenry, B. Pond, B. Ussery, D. Balls, R. Cochran, and R. Dennis. VOTING AGAINST: T. Lundstrum, E. Madison, S. Madison, and J. Patterson. **The motion passed with nine members voting in favor and four members voting against the motion. The 2017 County Road budget was approved.****
- 397.7 **7G - ROAD ½ CENT SALES TAX BUDGET** - Brad Phillips, Assistant Road Superintendent, addressed the Quorum Court stating on the Road ½ cent sales tax budget, they looked at projections as well as bridges that they were going to rebuild and replace. They also put the Orr Bridge in their main budget and budgeted the Barren Creek Bridge on their ½ cent sales tax. He stated that they understand that this ½ cent sales tax comes to the Road Department and are trying to utilize it the best that they can. He noted they tried to split it up between the main budget and the ½ cent sales tax on the equipment that they are trying to purchase. He stated that the bridge inspection truck has been needed for a long time. He stated it is

Minutes of the Special Meeting of the
Washington County Quorum Court
October 11, 2016
Page 27

good all the way around, because they do not have to wait on ADEQ permits or contact the court to do maintenance on bridges. They can take this truck out and do maintenance on any bridge in the county without having to disturb the stream or stream banks.

- 398.1 L. Ecke stated that she supports this arm truck. It sounds like an exciting vehicle for the Road Department by saving them time, money, labor, and will be good for the environment. However, she stated she does need to be responsible with this budget and questioned whether they could do a 10%. She will not say they are being over aggressive with their projects, because they know what they need to do for their department.
- 398.2 C. Ward responded to L. Ecke that they can try to shop around for a truck of less value; to which she stated she wants them to get what they need.
- 398.3 Road Superintendent Charles Ward stated that they have tried to pick out the things they need most. He addressed an old bulldozer that they use for pushing dirt, trees, etc.; however, the problem with this dozer is that it did not come with a cab that is in compliance with OSHA as far as being in a rock mine. They cannot take it anywhere where something could possibly fall on it, because it is not safe. It was pointed out that they built the cab that is on the dozer. C. Ward stated that they have told them what they want to do and what they need and done their cuts to their budget and he does not know what else they can do but leave it up to the court to make further cuts.
- 398.4 L. Ecke stated that she does not want to run the Road Department, which is why C. Ward is head of the Road Department. The confidence the Court has in him to run his department is there. At the same time, she stated they all have to work together to make sure they have a good budget.
- 398.5 B. Phillips stated they are trying to come up with a good system where they can rotate equipment out, so it does not become a burden. This is why he made the list showing that 46 pieces of equipment are 27 years old, which is pretty old when they are used every day.
- 398.6 L. Ecke stated if they could take the list of equipment and age they prepared and prioritize what they want to replace and when, along with the cost of replacement to help them understand the needs of the Road Department a little better.

- 399.1 A. Harbison stated all of this ½ cent sales tax has to be spent in the Road Department; they have 46 pieces of equipment over 26 years old, and they have the money to replace those requested with both budgets, which is what they need to do.
- 399.2 **A. Harbison made a motion to approve the Road ½ Cent Sales Tax Budget as presented. B. Pond seconded.**
- 399.3 R. Cochran stated he has not heard any mention of graders, noting they are paying off their graders this year. He stated he knows they are five years old and inquired about how they are holding up; to which Chief of Staff G. Butler responded they are starting to be in the shop a lot.
- 399.4 R. Cochran stated that when they did it last time they were able to spread the cost over time. He noted that interest rates are currently low and asked if the Road Department has considered doing something like that in order to replace them, because it is the only asset that the county can mortgage and put a payment on without using current funds.
- 399.5 G. Butler responded that this is something that they will be looking at when they start the process.
- 399.6 R. Cochran stated that would reduce their overall budget and they could probably replace more pieces of equipment now to get some of the aged pieces out of their hair. When it is broken down, they have wasted manpower as well as the mechanic time fixing it.
- 399.7 G. Butler stated that they are looking at possibly leasing instead of buying. They finally decided that this needed to be a decision for the new County Judge.
- 399.8 R. Cochran responded to G. Butler that it made sense. He stated that he understands the Grader Company offered them the extended warranty at no charge as well, including drive train and hydraulics. He stated he will support the Road ½ Cent Sales Tax budget since he supports what they have been doing and because the route on their capital has been a long time since they have been able to have any significant money.
- 399.9 E. Madison stated if they wanted the Road Department to cut their budget, this was not the one to cut because when the citizens implemented the sales tax, they dedicated it for road construction and transportation purposes. She stated since JP R. Bailey could not be at the meeting, she

Minutes of the Special Meeting of the
Washington County Quorum Court
October 11, 2016
Page 29

assured him that she would make sure the transit money was protected. She asked if it was in this budget at \$126,000 for dues and membership; to which Executive Assistant Karen Beeks confirmed.

- 400.1 E. Madison stated it is to fund the rural route in Washington County for Ozark Regional Transit. She gave history stating it was the same year they voted to put the dedicated sales tax for transit on the ballot that failed. It was that fall that the Highway Department led the way to put this ½ cent sales tax with a broad enough purpose that it could be used for transportation too.
- 400.2 T. Lundstrum stated he really wants the Road Department to have what they need to get their job done, but he noted that there is a lot of used equipment in state and federal inventories that can be bought very cheaply, as Judge Hunton did buying the rock crusher. He stated his concern about this budget is that they have already given a \$1.4 million raise; the Coroner is asking for two new vehicles at \$50,000 and increase his part-time pay, etc. and on a budget that might sound like peanuts, but when you have 15 departments do that, it adds up. He noted the Sheriff is going to ask for five new employees plus \$200,000 worth of equipment. He is unsure whether they will have enough money to do this budget, stating that this is preliminary and will not be voted on until they vote on the final number. He is unsure whether even a .5 mill increase for about \$1.5 million a year would cover this year's budget increases.
- 400.3 B. Phillips asked if there was a number that he would like to see the Road Department get to; to which T. Lundstrum responded it will depend on the final number of this budget versus the amount of revenue they will have coming in. This is when they would need to come back and make cuts where it is as fair as possible for everyone, and if there are enough votes to increase the millage, then that would happen. T. Lundstrum reiterated that he would like to see the Road Department check the state and federal used equipment inventory, noting the rock crusher was well over \$100,000 piece of equipment that they bought for \$10,000 and it still works today.
- 400.4 C. Ward stated that they have put more than \$10,000 back into the rock crusher in maintenance.
- 400.5 Chief of Staff G. Butler stated that based on current revenue projections, the raises, all of the submitted budgets, and the 40% of the countywide sales tax for the Road Department, he was under the impression that everything is paid for.

- 401.1 A. Farber stated that everything is included in the budget, the raises, salary range increases, as well as the new overtime rule that they have been notified about. She stated the email she sent today that has the updated 2017 budget summary is current to date showing the unappropriated reserves for each fund which includes the Road Fund.
- 401.2 T. Lundstrum stated at the end of the day, they will have unappropriated reserves above all of these expenditures.
- 401.3 Judge Edwards stated that they have the opportunity to buy surplus property and let them know what they are needing. Out of courtesy, they are supposed to call if something comes in, but by the time they get from Washington County to Pulaski County, the good surplus equipment is gone.
- 401.4 **L. Ecke called for the question but withdrew her motion for lack of a second.**
- 401.5 E. Madison stated she sees projected new revenue of \$61 million and a budget requested of \$65 million.
- 401.6 A. Farber stated that currently, minus the changes made at these meeting, unappropriated reserves for the Road Department is \$11,613,159 from all Funds.
- 401.7 E. Madison questioned if that was because they were not spending money this year, because she does not know how you take in \$61 million in new revenue and spend \$65 million and have more money.
- 401.8 A. Farber responded that available to budget includes new revenue and carryover, which is what they are basing unappropriated reserves off of. The projection of the carryover comes from B. Hill. E. Madison stated she does not understand how their budget is going up, because their budget approved for last year was \$63 million and this year they have \$65 million.
- 401.9 B. Hill addressed E. Madison stating that the \$12.4 million is what he is thinking they will have in cash. Last year, the carryover was about \$6 million. He stated as far as new revenue, until they get requested budgets that are equal in projected new revenue, they are going to have problems because it is eating into the reserves, which as of now is projected to be \$11.6 million. Further, he stated the holdbacks will be included so they are actually looking at \$18 million at the end of the year.

Minutes of the Special Meeting of the
Washington County Quorum Court
October 11, 2016
Page 31

- 402.1 In response to a question from E. Madison as to what she shows in the General Fund unappropriated reserves as of that day, A. Farber stated that currently unappropriated reserves for general are \$6,657,358. E. Madison stated that she does not understand how they are spending more money and have more left over. A. Farber stated if she wants to base the budgets off of only the projected new revenue that is something they would need to reroute and let the departments know.
- 402.2 S. Madison stated that her question was whether their request matches what the expected revenue from the ½ cent sales tax is; to which B. Phillips stated that it did. She stated since they had these chip and seal projects planned, why they were cutting the \$300,000 from asphalt.
- 402.3 B. Phillips responded to S. Madison stating that they have their asphalt budgeted in their other budget. The money from their ½ cent sales tax was moved into the bridge that they are intending to build month deal because they have \$164,000 in that fund now.
- 402.4 **With no further discussion, Judge Edwards called for a vote on the motion to approve the budget.**
- 402.5 VOTING FOR: L. Ecke, A. Harbison, T. Lundstrum, E. Madison, S. Madison, J. Maxwell, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, R. Cochran, and R. Dennis. **The motion passed unanimously by those present. The 2017 Road ½ Cent Sales Tax budget was approved.**
- 402.6 7H- GRANTS ADMINISTRATOR BUDGET - Renee Biby, County Grants Administrator, addressed the Quorum Court stating that she is requesting a new vehicle and \$4,000 for grant software.
- 402.7 **L. Ecke made a motion to approve the Grants Administrator budget. A. Harbison seconded.**
- 402.8 E. Madison stated she thought this department got a new vehicle not long ago; to which R. Biby responded the vehicle she has is a giant 2009 Chevy Silverado 4-door gas hog truck with 107,000 miles that she inherited from her predecessor. She stated the transmission is slipping, power steering is going out, the oil pump had to be replaced for over \$1,000. She is afraid it will become a money pit and lose its value rapidly if she does not trade it in. She stated she is asking for a smaller, fuel-efficient vehicle with 4-wheel drive.

- 403.1 In response to a question from R. Cochran, R. Biby stated that the \$22,500 includes an estimated trade-in. He stated that they still have a couple of ordinances pending that relate to her employee, and he is not quite sure what to do with it. If they do not end up doing the interlocal agreements on septic systems, then he is not quite sure how she will utilize the second employee. He questioned if these ordinances do not go through whether there was still a need for the second employee, or would the grade and responsibilities change.
- 403.2 R. Biby responded to R. Cochran stating that she has hired someone who has been working in her office for two weeks. She further stated that without the interlocal agreements that affect two subdivisions, there are still other subdivisions in the county where the sewer ordinance is applicable. She noted she was just at the Goshen City Council meeting discussing the interlocal agreement with Goshen, but does not know yet if they will pass it. She stated that she still has Fawn Estates, Homestead, Bethel Oaks, Joyce Street Cottages, Horseman Estates, and a couple others for seven total. She stated that her new employee is learning and wrote her first GIF Grant yesterday for \$7,500 for the Animal Shelter. She stated she is currently utilizing her in other ways and will probably keep her sewer hat on for a little while until her new employee is more comfortable.
- 403.3 **With no further discussion, Judge Edwards called for a vote on the motion to approve the budget.**
- 403.4 **VOTING FOR: L. Ecke, A. Harbison, T. Lundstrum, E. Madison, S. Madison, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, R. Cochran, and R. Dennis. The motion passed unanimously by those present. The 2017 Grants Administrator budget was approved.**
- 403.5 **OTHER BUSINESS:** Judge Edwards announced that she would be out-of-town on October 13th and unable to attend the next scheduled Special Quorum Court meeting. She stated due to her absence, the court needs to choose a presiding officer for the October 13th meeting.
- 404.6 **B. Pond nominated Rick Cochran to preside over October 13th meeting. A. Harbison seconded.**
- 404.7 **T. Lundstrum nominated Eva Madison because if she gets elected, he will not have to listen to her talk on every subject brought up. S. Madison seconded.**

Minutes of the Special Meeting of the
Washington County Quorum Court
October 11, 2016
Page 33

- 404.1 **Judge Edwards called for a vote on Rick Cochran's nomination. The nomination of Rick Cochran was approved unanimously by those present by show of hands. Rick Cochran will preside over the October 13th Special Quorum Court Meeting.**
- 404.2 **T. Lundstrum withdrew his nomination.**
- 404.3 ADJOURNMENT: The meeting adjourned at 8:42 p.m.

Respectfully submitted,



Carly Sandidge
Quorum Court Coordinator/Reporter

