



*Washington State Association
of County Engineers*

2019 ANNUAL REPORT

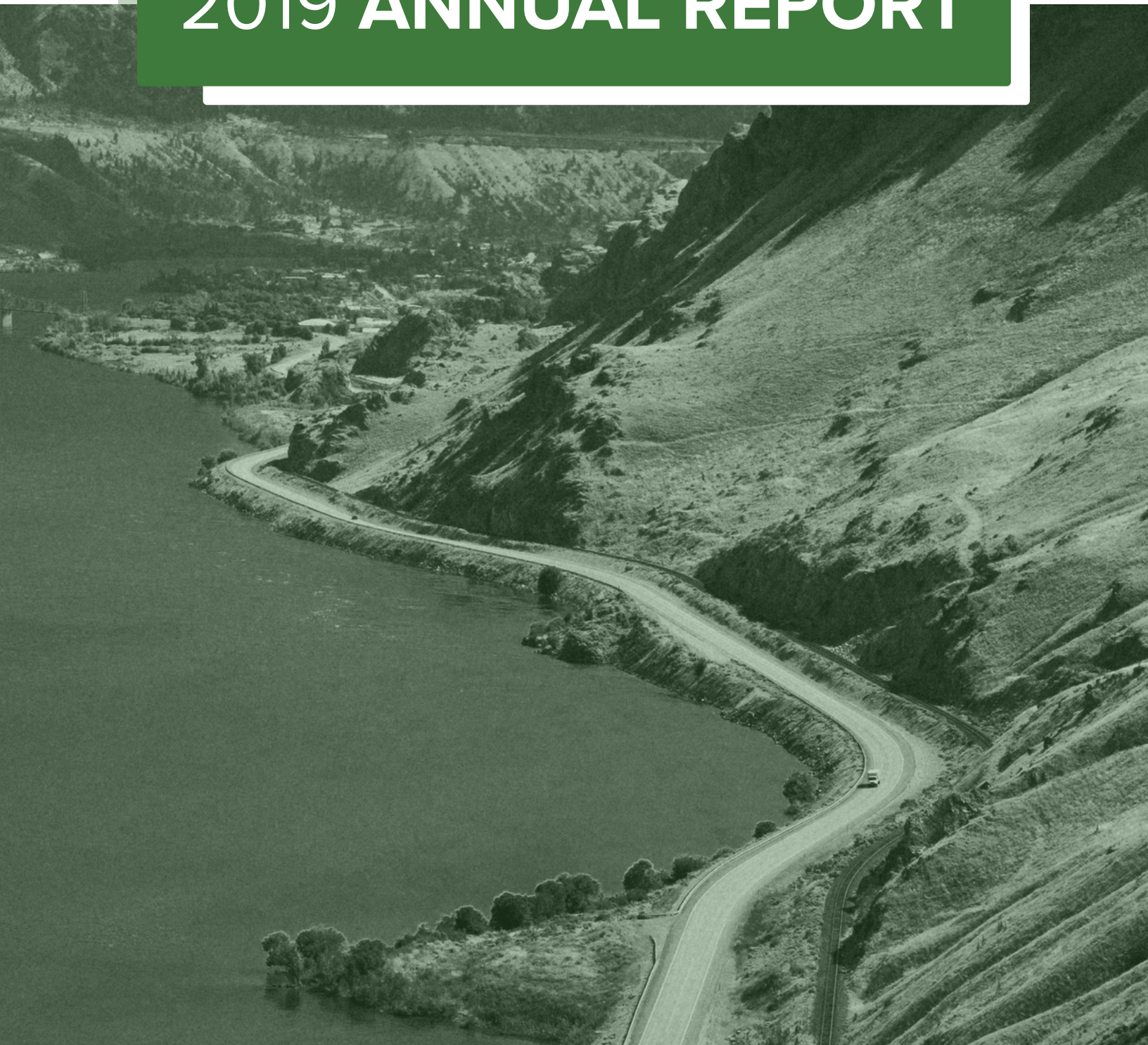


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MANAGING DIRECTOR REPORT

As I reflect on my first full year as Managing Director with the Washington State Association of County Engineers, I am proud of the many accomplishments we achieved together.

We passed public works legislation that will allow our departments to be more nimble and efficient in how we spend our road dollars, and made good progress on other WSACE policy and budget goals.

I was able to visit over half of our counties, seeing first-hand the work you and your crews do each day. And I was able to get to know many more of you during the professional development events our organization convened throughout the year.

Your Board of Directors undertook a strategic planning exercise that resulted in a new dues structure and several ambitious, long-range goals for the organization, including plans for growth and resilience.



Jane Wall
Managing Director

We ended the year with a new dues structure and a process in place to ensure WSACE is poised for long-term financial stability.

LOOKING AHEAD

As we enter 2020, I am optimistic for what lies ahead. The 2020 legislative session wasn't without its challenges, but there are real opportunities ahead. It has been great first year, and I am looking forward to the work we have in front of us.

Thank you for your continued support, and for the exceptional work you carry out on behalf of your county and state.

Jane Wall

OUR MISSION

To enhance leadership effectiveness by providing more opportunities for professional development, building professional relationships, and advocating stewardship of the environment and infrastructure with which we have been entrusted, for the benefit of present and future generations.



OUR VISION

The vision of the Washington State Association of County Engineers is to be an organization of County Public Works professionals respected, both locally and nationally, for leadership and stewardship addressing the infrastructure and service needs of society.





2019 BOARD OF DIRECTORS



PRESIDENT
Eric Pierson, P.E.
Chelan County



PRESIDENT-ELECT
Scott Lindblom, P.E.
Thurston County



**SECRETARY/
TREASURER**
Josh Thomson, P.E.
Okanogan County



PAST PRESIDENT
**Paul Randall-
Grutter, P.E.**
Skagit County



**WESTERN DISTRICT
REPRESENTATIVE**
Tim Elsea, P.E.
Skamania County



**EASTERN DISTRICT
REPRESENTATIVE**
Scott Yaeger, P.E.
Adams County



**NACE DIRECTOR-
AT-LARGE**
Drew Woods, P.E.
County Road
Administration
Board

In 1906, seven county engineers met in North Yakima to organize the Washington State Association of County Engineers (WSACE). An earlier meeting of a few county engineers occurred in Ritzville in 1904.



ADMINISTRATION & FINANCE

The Washington State Association of County Engineers has enjoyed years of financial soundness, the direct result of contract hours billed to fuel-tax study money contracts WSACE receives each biennium. Over the past two years WSACE has not received the same level of revenues from those contracts. Combined with increased conference costs, a dues structure that has not changed or increased in over ten years, and increased costs associated with the hiring of a new managing director, WSACE reserves have taken a large financial hit. As a result, the WSACE membership approved a new dues structure at the 2019 County Leader's Conference. This new dues structure will allow for predictable and stable finances moving forward.

WSACE STATEMENT OF ACTIVITIES - ACTUAL VS. BUDGET IN SUMMARY

(For the Current Ending Period)

REVENUE	TOTAL BUDGET	ACTUAL 12/31/2019	VARIANCE (UNFAVORABLE)
Membership Dues	134,998.00	134,998.00	-
NACE Dues	15,300.00	15,300.00	-
Corporate & Affiliate Dues	700.00	700.00	-
Conferences	52,500.00	74,110.00	21,610.00
Contract Services	20,000.00	21,459.38	1,459.38
Interest Earnings & Other Misc Revenues	500.00	1,087.61	587.61
Total Revenue	\$223,998.00	\$247,654.99	\$23,656.99
OPERATING EXPENSE			
Contract Services	192,633.00	190,771.96	1,861.04
Conferences	50,000.00	67,309.28	17,309.28
Meetings & Travel	12,474.00	3,653.68	8,820.32
Other Professional Services	2,651.00	824.95	1,826.05
General Operating Expenses	19,138.00	18,302.89	835.11
Total Operating Expense	\$276,896.00	\$280,862.76	\$3,966.76
Changes in Net Assets	\$52,898.00	\$33,207.77	\$19,690.23

COMBINED DUES 2019 ACTUAL

COUNTY	WSACE DUES	NACE DUES	TOTAL DUES
Adams County	\$1,973	\$200	\$2,173
Asotin County	\$2,094	\$200	\$2,294
Benton County	\$2,657	\$500	\$3,157
Chelan County	\$2,584	\$350	\$2,934
Clallam County	\$2,892	\$350	\$3,242
Clark County	\$7,621	\$750	\$8,371
Columbia County	\$1,768	\$200	\$1,968
Cowlitz County	\$2,935	\$350	\$3,285
Douglas County	\$2,328	\$200	\$2,528
Ferry County	\$1,906	\$200	\$2,106
Franklin County	\$2,062	\$350	\$2,412
Garfield County	\$1,752	\$200	\$1,952
Grant County	\$2,850	\$350	\$3,200
Grays Harbor County	\$2,475	\$350	\$2,825
Island County	\$3,232	\$350	\$3,582
Jefferson County	\$2,308	\$200	\$2,508
King County	\$8,252	\$1,000	\$9,252
Kitsap County	\$6,355	\$750	\$7,105
Kittitas County	\$2,269	\$200	\$2,469
Klickitat County	\$2,125	\$200	\$2,325
Lewis County	\$2,942	\$350	\$3,292
Lincoln County	\$1,870	\$200	\$2,070
Mason County	\$3,131	\$350	\$3,481
Okanogan County	\$2,401	\$200	\$2,601
Pacific County	\$2,110	\$200	\$2,310
Pend Oreille County	\$1,998	\$200	\$2,198
Pierce County	\$12,301	\$1,000	\$13,301
San Juan County	\$2,107	\$200	\$2,307
Skagit County	\$3,074	\$350	\$3,424
Skamania County	\$1,971	\$200	\$2,171
Snohomish County	\$10,963	\$750	\$11,713
Spokane County	\$5,552	\$750	\$6,302
Stevens County	\$2,647	\$200	\$2,847
Thurston County	\$5,422	\$750	\$6,172
Wahkiakum County	\$1,824	\$200	\$2,024
Walla Walla County	\$2,168	\$350	\$2,518
Whatcom County	\$4,152	\$500	\$4,652
Whitman County	\$1,897	\$200	\$2,097
Yakima County	\$4,030	\$500	\$4,530
	\$134,998	\$14,700	\$149,698

WHERE DOES THE MONEY COME FROM?

- Conference revenues increased to 30% of the overall revenue in 2019, up from 23% in 2018. First year with earnings.
- Contract services revenue remained stable; this was the 3rd year that WSACE was able to offset staffing cost by supporting a DOT grant under WSAC. This agreement is in place through June 2021.
- Interest from a sweep account generated over \$1,000. While a very small percentage this is up from historic earnings of less than \$100.

WHERE DOES THE MONEY GO?

- Management /Admin includes 1.25 FTE and a small overhead fee of 12% from WSAC .
- Conference expenses increased by \$10k over last year mostly due to the cost of speakers.
- Travel expenses for members and other non staff was \$10k less than last year.
- General operating costs have remained stable over the last 4 years.

STATEMENT OF FINANCIAL POSITION

(For the Current Ending Period)

ASSETS	12/31/2019
Cash & Cash Equivalents	
Commencement Bank	100,584.64
Receivables & Other Assets	3,700.00
Total Assets	104,284.64
LIABILITIES & NET ASSETS	
Current Liabilities	45,588.01
Net Assets	58,696.63
Total Liabilities & Net Assets	104,284.64



2019 ACCOMPLISHMENTS

2019 LEGISLATIVE SESSION

The 2019 Legislative Session convened on January 14, 2019, and lasted 105 days, ending on April 28, 2019. Over 3,000 bills were introduced, with hundreds affecting the transportation and public-works sector. Only a few hundred made it across the finish line, including several that were positive for counties. **These include:**

SSB 5179: Senator Marko Lias (D-Lynnwood), raises the \$10,000 bid limit threshold for county electrical illumination equipment procurement and work to \$40,000. This was a WSACE priority bill.

SB 5418: Senator Dean Takko (D-Kelso), concerns local government procurement. This bill had a number of provisions in it relating to local government procurement, including, allowing counties to utilize unit-priced contracts, and increasing the small works bid process from \$300,000 to \$350,000.

SB 5923: Senator Steve Hobbs (D-Lake Stevens), establishes an emergency revolving loan program within the County Road Administration Board. Counties with populations fewer than 800,000 are eligible.

BIENNIAL TRANSPORTATION BUDGET

The final 2019-2021 Transportation Budget proposal includes a total appropriation of around \$10.0 billion for the two-year fiscal period, up almost \$600 million from the level adopted for the 2017-19 biennium in the 2018 supplemental budget. Highlights of the budget include:

- Full funding for the County Road Administrative Board (CRAB).
- Full gas tax distributions.
- Full funding for the Transportation Improvement Board (TIB).
- \$29 million for the safe routes to schools grant program.



PROFESSIONAL DEVELOPMENT CONFERENCE

February brought us the annual WSACE Professional Development conference. 2019's conference, set at the Suncadia Resort in Kittitas County, focused on leadership, and featured renowned leadership expert, Kevin Eikenberry, for the entirety of the conference. Attendance for the conference was at an all-time high.

NATIONAL ASSOCIATION OF COUNTY ENGINEERS CONFERENCE

The National Association of County Engineers (NACE) held its annual meeting in Wichita, Kansas, April 14-18, 2019.

During the 2019 meeting, Washington's Brian Stacy (Pierce), received the National Urban County Engineer of the year award. Under Stacy's leadership, Pierce County has completed many successful projects, including the 176th Street Corridor widening and reconstructing, and the Wollochet Drive project. Additionally, he has been instrumental in the development and implementation of the Canyon Road Extension which creates a direct link between Pierce County's two major manufacturing industry centers.



"Brian has exemplified the very best of our association for many years, I can think of no more deserving candidate to receive this honor.," said Tim Hens, P.E., NACE President and Genesee County, New York Highway Superintendent. "Brian's work both at home and nationally over three decades has earned him a national reputation for his expertise in the areas such as life cycle asset management and pavement preservation, to name a few."

2019 ACCOMPLISHMENTS (continued)

ANNUAL CONFERENCE

The 2019 WSACE Annual Conference took place June 18-20, 2019, at the Semiahmoo Resort in Whatcom County. Twenty-nine counties were represented at 2019's conference which featured speakers from the county family, WSDOT, the Transportation Commission, the Department of Fish and Wildlife, NACE, the County Road Administration Board, the

Transportation Improvement Board, and the Infrastructure Assistance Coordinating Council. Officer elections took place, with Josh Thomson (Okanogan), being selected as the Secretary/Treasurer, and Scott Yaeger (Adams) retained as the Eastern District Representative. Outgoing President Paul Randall-Grutter (Skagit) passed the gavel to President-Elect Eric Pierson (Chelan).

The 2019 conference proved to be a success, offering opportunities to collaborate, network, and spread the word on the importance of local roads.



COUNTY LEADER'S CONFERENCE

Finally, fall brought WSACE to Spokane County for the annual County Leader's Conference, where once again, members had the opportunity to hear from one-another and partner state agencies. During the WSACE business meeting members approved new dues, a new dues structure, and amendments to our Bylaws. NACE Executive Director, Kevan Stone, joined us to discuss NACE's federal legislative agenda and developments on a new federal transportation spending package, and we rounded out the week with presentations from Clark, Pierce, and Spokane counties.

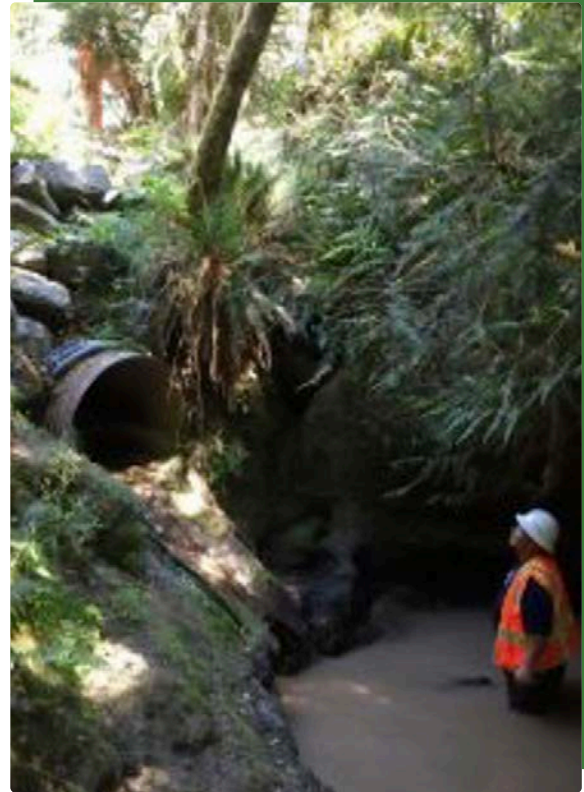




FUEL-TAX STUDY MONEY PLAN

Each biennium WSACE receives a small percentage of fuel-tax dollars to direct towards studies of our choosing. **In 2019, the WSACE Board of Director's chose to direct the roughly \$1.14 million in funding towards the following:**

1. The identification of county-owned fish passage barriers, with priority given to barriers that share the same stream system as state-owned fish passage barriers. The study must identify, map, and provide a preliminary assessment of county-owned barriers that need correction, and provide, where possible, preliminary costs estimates for each barrier correction. The study must provide recommendations on: (a) How to prioritize county-owned barriers within the same stream system of state-owned barriers in the current six-year construction plan to maximize state investment; and (b) how future state six-year construction plans should incorporate county-owned barriers.



2. Updates to the Local Agency Guidelines Manual, including exploring alternatives within the Local Agency Guidelines Manual on county priorities.

3. A study directed towards the current state of county transportation funding, identifying emerging issues, and identifying potential future alternative transportation fuel funding sources to meet current and future needs.

